



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 968 860 577
Organisasjonsform: Aksjeselskap
Foretaksnavn: EASTERN BULK CARRIERS AS
Forretningsadresse: Strandveien 17
1366 LYSAKER

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Ingrid Nødset
Dato for fastsettelse av årsregnskapet: 30.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 25.07.2023



Resultatregnskap

Beløp i: USD	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Fraktinntekt		59 949 979	37 603 740
Sum inntekter		57 525 208	24 558 711
Kostnader			
Voyage Expenses		-2 424 771	-13 045 029
Varekostnad	12	-41 106 628	-28 887 296
Annen driftskostnad	5, 6, 10	-2 277 464	-1 395 596
Sum kostnader		-43 384 092	-30 282 892
Driftsresultat		14 141 116	-5 724 181
Finansinntekter og finanskostnader			
Annen finansinntekt	4	383 870	610 231
Sum finansinntekter		383 870	610 231
Annen finanskostnad	4	-16 796	-412 201
Sum finanskostnader		-16 796	-412 201
Netto finans		367 074	198 030
Ordinært resultat før skattekostnad		14 508 190	-5 526 151
Skattekostnad på ordinært resultat	13	-488 884	
Ordinært resultat etter skattekostnad		14 019 306	-5 526 151
Årsresultat		14 019 306	-5 526 151
Overføringer og disponeringer			
Overføringer annen egenkapital	8	14 019 306	-5 526 151
Sum overføringer og disponeringer		14 019 306	-5 526 151



Balanse

Beløp i: USD	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	13	3 497 265	3 986 162
Sum immaterielle eiendeler		3 497 265	3 986 162
Finansielle anleggsmidler			
Lån til foretak i samme konsern	3	170 000	234 190
Sum finansielle anleggsmidler		170 000	234 190
Sum anleggsmidler		3 667 265	4 220 352
Omløpsmidler			
Varer			
Bunkers			118 872
Sum varer	7		118 872
Fordringer			
Kundefordringer	2	358 940	118 460
Andre fordringer	2, 3	1 570 609	260 507
Sum fordringer		1 929 549	378 967
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende		4 198 645	44 182
Sum omløpsmidler		6 128 194	542 021
SUM EIENDELER		9 795 459	4 762 373
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	8, 9	7 104 134	7 104 134
Annen innskutt egenkapital	8	4 020 587	3 593 228



Balanse

Beløp i: USD	Note	2021	2020
Sum innskutt egenkapital		11 124 721	10 697 362
Opptjent egenkapital			
Annen egenkapital	8	-11 396 005	-19 266 965
Sum opptjent egenkapital		-11 396 005	-19 266 965
Sum egenkapital		-271 284	-8 569 603
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	2	8 626 760	9 229 066
Sum annen langsiktig gjeld		8 626 760	9 229 066
Sum langsiktig gjeld		8 626 760	9 229 066
Kortsiktig gjeld			
Leverandørgjeld	2	400 392	345 049
Annen kortsiktig gjeld	2, 3	1 039 591	3 757 861
Sum kortsiktig gjeld		1 439 983	4 102 910
Sum gjeld		10 066 743	13 331 976
SUM EGENKAPITAL OG GJELD		9 795 459	4 762 373



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Journalnummer: 2022 615740

Enheten

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Organisasjonsform: Aksjeselskap
Foretaksnavn: EASTERN BULK CARRIERS AS
Forretningsadresse: Strandveien 17
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Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Ingrid Nødset
Dato for fastsettelse av årsregnskapet: 30.06.2022

Revisjon

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet: Ja

Grunnlag for avgivelse

År 2021: Årsregnskap er elektronisk innlevert.
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021.

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Brønnøysundregistrene, 11.07.2022



Organisasjonsnr: 968 860 577
EASTERN BULK CARRIERS AS

RESULTATREGNSKAP

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Organisasjonsnr: 968 860 577
EASTERN BULK CARRIERS AS

BALANSE

Beløp i: USD	Note	2021	2020
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Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
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Organisasjonsnr: 968 860 577
EASTERN BULK CARRIERS AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
9

Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Share capital	48714.00	1283.00	6250062.00

<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Tidships AS	48714.00	100.00%	Ordinary shares

<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>
	48714.00	100.00%

On 01.01.2021 Eastern Bulk Carriers AS merged with its sister company Eastern Bulk AS. Both companies were 100% owned by Tidships Services AS. The merger was accounted for using the continuity method.

Note
6

Lønn og ytelser

The company has no employees, and is not required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pension Act. The Company buys administrative and commercial services from Tidships Services AS, included under Other operating expenses.

Note

Ytelser til ledende personer
Er det gitt ytelser til ledende person: Nei

Ytelser til daglig leder

<u>Ytelser</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
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Note

Ytelser til revisjon



<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	22131.00	8580.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	22131.00	8580.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:

0.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>



Skatteetaten

Vår dato 10.07.2018	Din dato 04.07.2018	Saksbehandler Jeanette Munkvold Skovholt
800 80 000 Skatteetaten.no	Din referanse Stein Hedemark	Telefon 90076012
Org.nr 996250318	Vår referanse 2012/451120	Postadresse Postboks 9200 Grønland 0134 Oslo

EASTERN BULK HOLDING AS
Postboks 132
1325 LYSAKER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 4. juli 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskap:

- Eastern Bulk Holding AS, org.nr. 991 851 925
- Eastern Bulk AS, org.nr. 915 835 694
- Eastern Bulk Carriers AS, org.nr. 968 860 577

Skattedirektoratet gir på bakgrunn av en konkret vurdering ovenstående selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden gjengis:

Selskapet inngår i en større selskapsgruppe som omfatter Stove Shipping AS (som eier og driver et antall bulkskip), Lorentzen & Stemoco AS (som driver skipsmegling) og Rederi AB Dalen (som driver investeringsvirksomhet).

Selskapets heleide datterselskaper, Eastern Bulk AS og Eastern Bulk Carriers AS, opererer bulkskip i su pramax-segmentet. Dette segmentet omfatter skip i størrelsesordenen 40.000-60.000 dwt. Flåten er innleid, dels for lange og dels for kortere perioder.

Konsernet driver virksomhet innenfor internasjonal sjøveis transport av varer innenfor tørrlast. Kundene er i all hovedsak internasjonale og det etterspørres regelmessig regnskapsinformasjon om selskapet på engelsk og all kommunikasjon med kunder og leverandører foregår på engelsk.

En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.



Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene inngår i en større selskapsgruppe der bransjen er internasjonal. Arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

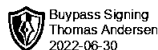
Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Kari-Alice Frønsdal
underdirektør
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jeanette Munkvold Skovholt

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



Buypass Signing
Thomas Andersen
2022-06-30

To the Shareholders of
Eastern Bulk Carriers AS



BHL DA
Elias Smiths vei 24
1337 Sandvika

Org. nr.: 992 768 061

Telefon: 66 85 59 00
E-post: ta@bhl.no
Internett: www.bhl.no

Medlemmer av
Den norske Revisorforening

Ansvarlig revisor:
Thomas Andersen

Independent Auditor's Report

Opinion

We have audited the financial statements of Eastern Bulk Carriers AS, showing a profit of USD 14 019 306. The financial statements comprise the balance sheet as at December 31, 2021, and the statement of income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of, the financial position of the Company as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is materially inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or the information in the Board of Directors' report otherwise appears to be materially misstated. If, based on the work we have performed, we



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conclude that there is a material misstatement of the Board of Directors' report, we are required to report that fact. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements

Responsibilities of the management for the Financial Statements

The management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of the auditor's responsibilities we refer to <https://www.revisorforeningen.no/revisjonsberetninger>

Sandvika
BHL DA

The auditor's report is signed electronically.

Thomas Andersen
Statsautorisert revisor



EASTERN BULK CARRIERS AS

Annual report 2021

Board of directors' report

Annual accounts

- **Income statement**
- **Balance sheet**
- **Cash flow statement**
- **Notes**

Auditors' report



EASTERN BULK CARRIERS AS

Board of directors' report 2021

EASTERN BULK CARRIERS AS

Adress: Strandveien 17, 1366 LYSAKER

Org.nr: 968860577 MVA

The business

EASTERN BULK CARRIERS AS transports dry bulk commodities on the high seas.

The Company operated around 7 Supramax vessels in 2021 and has a fleet of efficient and well-maintained vessels, consisting of both long and short term chartered in tonnage.

The Company operates from offices in Lysaker.

The dry bulk market

The Baltic Supramax index averaged US\$ 26 708 per day in 2021(2020:US\$ 8.189 per day), ranging from US\$ 11 242 to 39 860 per day the market significantly improved in 2021 compared to 2020 driven by high demand for dry bulk commodities.

The index has so far averaged US\$ 27.003 per day in 2022 (as of 17.06), hence a solid start of the year in the dry bulk markets.

Accurate description

The Board considers that the annual accounts give an accurate description of EASTERN BULK CARRIERS AS's assets and liabilities, financial position and result.

Financials 2021

The Company generated revenues of US\$ 59.949.979 in 2021 and had an operating profit of US\$ 14.141.117. The ordinary result before tax for the year was US\$ 14.378.549.

The equity at year-end was negative with US\$ 271.284. This is supplemented by long term, subordinated shareholder loan amounting to US\$ 8.6 million.

Statement regarding the outlook for the company

The Company has focused on building and maintaining a robust financial structure and a solid cash position in 2021 and 2022. So far in 2022, the demand for dry bulk commodities has been strong which has positively affected both the Company's cash flow from operations as well as equity, which at the end of Q1 2022 is positive.

Operational risk

The two main risks associated with the Company's business are the development of the spot rates for chartering in vessels and the world-wide demand for freight services in these segments.

The Company manages these risks by adjusting its freight capacity and its commitments to provide freight services based on its market expectations. The exposure related to any long-term charters of vessels is reduced by freight forward contracts when this is deemed to be beneficial.

The Company is exposed to counterparty risk and seeks to reduce this by monitoring the financial solidity of its counterparties closely.

Other operating risks are managed by entering industry standard insurance schemes.

Financial risk

The Company's currency exposure is limited. Both revenue and cost are primarily in USD. The Company thus takes no specific actions to reduce its exposure to currency risk.



EASTERN BULK CARRIERS AS

A going concern

In accordance with the section 3-3 of the Accountancy Act, we confirm that EASTERN BULK CARRIERS AS meets the requirements for continuation as a going concern.

The company's equity is negative at year end, but positive by the end of Q1 2022. The equity is supported by a long term shareholder loan of US\$ 8.6 mill. The dry bulk market outlook is considered positive and the Company has a positive EBITDA and strong cash flow in 2022.

Based on these assumptions the annual accounts are prepared based on the principle of going concern.

The external environment

The Company's activities consist of chartering and operating dry bulk vessels for the transportation of products such as minerals, cement, bauxite, steel, grains and coal. The chartering and operating of the Company's vessels fully comply with international rules and standards in the jurisdictions and sectors in which the Company operates its fleet.

Board of EASTERN BULK CARRIERS AS



Christian Andersen
Chairman



EASTERN BULK CARRIERS AS

Income statement

All numbers are in USD

	Note	2021	2020
Revenue			
Sales revenue		59 949 979	37 603 740
Voyage expenses		<u>-2 424 771</u>	<u>-13 045 029</u>
Total revenue		<u>57 525 208</u>	<u>24 558 711</u>
Operating expenses			
Chartering expenses	12	-41 106 628	-28 887 296
Other operating expenses	5, 6, 10	<u>-2 277 464</u>	<u>-1 395 596</u>
Total operating expenses		<u>-43 384 092</u>	<u>-30 282 892</u>
Operating result		<u>14 141 116</u>	<u>-5 724 181</u>
Financial income and expenses			
Other financial income	4	383 870	610 231
Other financial expenses	4	<u>-16 796</u>	<u>-412 201</u>
Net financial items		<u>367 074</u>	<u>198 030</u>
Ordinary result before tax		<u>14 508 190</u>	<u>-5 526 151</u>
Tax on ordinary result	13	-488 884	0
Net profit or loss for the year		<u>14 019 306</u>	<u>-5 526 151</u>
Allocated as follows			
Transferred to other equity	8	<u>14 019 306</u>	<u>-5 526 151</u>
Total allocations		<u>14 019 306</u>	<u>-5 526 151</u>



EASTERN BULK CARRIERS AS

Balance sheet as of December 31

All numbers are in USD

	Note	2021	2020
Fixed assets			
<i>Intangible assets</i>			
Deferred tax asset	13	3 497 265	3 986 162
Total intangible assets		3 497 265	3 986 162
<i>Financial assets</i>			
Loans to group companies	3	170 000	234 190
Total financial assets		170 000	234 190
Total fixed assets		3 667 265	4 220 352
Current assets			
Bunkers		0	118 872
Inventories	7	0	118 872
<i>Receivables</i>			
Trade receivables	2	358 940	118 460
Other receivables	2, 3	1 570 609	260 507
Total accounts receivable		1 929 549	378 967
Cash and cash equivalents		4 198 645	44 182
Total current assets		6 128 194	542 021
Total assets		9 795 459	4 762 373




EASTERN BULK CARRIERS AS

Balance sheet as of December 31

All numbers are in USD

	Note	2021	2020
Equity			
<i>Paid-in capital</i>			
Share capital	8, 9	7 104 134	7 104 134
Other paid-in capital	8	4 020 587	3 593 228
Total paid-in capital		<u>11 124 721</u>	<u>10 697 362</u>
<i>Retained earnings</i>			
Other equity	8	<u>-11 396 005</u>	<u>-19 266 965</u>
Total retained earnings		<u>-11 396 005</u>	<u>-19 266 965</u>
Total equity		<u>-271 284</u>	<u>-8 569 603</u>
Liabilities			
<i>Other long-term liabilities</i>			
Other long-term liabilities	2	<u>8 626 760</u>	<u>9 229 066</u>
Total other long term liabilities		<u>8 626 760</u>	<u>9 229 066</u>
<i>Current liabilities</i>			
Trade creditors	2	400 392	345 049
Other short-term liabilities	2, 3	<u>1 039 591</u>	<u>3 757 861</u>
Total current liabilities		<u>1 439 983</u>	<u>4 102 910</u>
Total liabilities		<u>10 066 743</u>	<u>13 331 976</u>
Total equity and liabilities		<u>9 795 459</u>	<u>4 762 373</u>

31 December 2021
Lysaker, 30 June 2022


Christian Andersen
Chairman



EASTERN BULK CARRIERS AS

Cash flow statement

All numbers are in USD

	Note	2021	2020
Cash flow from operating activities			
Ordinary result from tax		14 019 306	-5 526 151
Impairment of fixed assets		97 607	21 105
Changes in inventories, trade receivables and trade payables		-664 823	18 681
Effect of changes in exchange rates		-252 771	216 118
Changes in other current balance sheet items		-6 272 159	3 779 970
Interest with no cash effect		1 500	0
Net cash flow from operating activities		<u>6 928 660</u>	<u>-1 490 277</u>
Cash flow from investing activities			
Net cash flow from investing activities		<u>0</u>	<u>0</u>
Cash flow from financing activities			
Repayment of long term loans		<u>-3 089 593</u>	<u>4 757</u>
Net cash flow from financing activities		<u>-3 089 593</u>	<u>4 757</u>
Net change in cash and cash equivalents		3 839 067	-1 485 520
Cash and cash equivalents as of 01.01		<u>359 578</u>	<u>1 529 702</u>
Cash and cash equivalents as of 31.12		<u>4 198 645</u>	<u>44 182</u>



EASTERN BULK CARRIERS AS

Notes to the accounts for 2021

All numbers are in USD

Note - 1 Accounting Principles

The accounts have been prepared in accordance with the Norwegian Accounting Act and Norwegian Generally Accepted Accounting Principles (NGAAP). The main accounting principles are described below.

Unless otherwise stated, all figures specified in the notes are quoted in US dollars (USD).

Sales revenue

Revenue and expenses related to a vessel's voyages are accrued based on the number of days before and after the end of each accounting period.

Balance sheet classification

Current assets and current liabilities include items that falls due within one year, the first year's repayment of long-term debt as well as items associated with the business flows. Current assets are reported at the lowest level of cost price and market value.

Trade and other receivables

Trade receivables and other receivables are recognised at face value less any provisions for losses. Provision for losses are made after an individual evaluation of each receivable.

Foreign currency translation

Monetary items, receivables and liabilities in the balance sheet denominated in other than USD are recorded at the year-end exchange rates. Profit and loss items in foreign currency are recorded at the exchange rates prevailing at the time of the transaction. Both realized and unrealized gains and losses are included under financial items in the profit and loss statement.

Short term investments

Financial current assets, listed shares and bonds included in a trading portfolio and traded on a regular basis, are recorded at market value. Financial current assets used for hedging are evaluated according to portfolio method.

Leasing

The company distinguishes between financial and operational leasing. Operational leasing costs are reported as an expense on a straight line basis over the term of the lease. Benefits and liabilities on ships which are treated as financial leases are capitalized and classified as long term assets and liabilities. The interest element in the lease will be included as interest expense and the capital element will be reported as amortization on debt. The lease obligation reported, will be the balance of the principal.

Income tax

Eastern Bulk Carriers is applicable for ordinary corporate taxation. The tax expenses in the profit and loss accounts include both taxes payable for the period and changes in deferred taxes. The change in the deferred tax reflects changes in future tax liabilities and assets as a result of timing differences between the tax and the accounts.

Deferred tax liabilities / deferred tax assets within the same tax system are recorded on a net basis. Deferred tax asset is recorded only if the future utilization is probable.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term highly liquid placement with original maturities of three months or less.



EASTERN BULK CARRIERS AS

Notes to the accounts for 2021

All numbers are in USD

Use of estimates

Preparing the annual accounts in accordance with GAP requires the management to use estimates and assumptions affecting the amounts reported in accounts with notes.

Eastern Bulk Carriers AS has used estimates supported by Clarkson's forward rates to calculate the effect of straddling voyages.

Bunkers

Inventories are valued at the lower of historical cost price according to the "first in first out" principle and estimated market value.

Portfolio considerations

Physical and financial freight contracts entered into for the purpose of achieving gains through short-term fluctuations in market rates are managed and valued as a single portfolio. The portfolio is valued at the lower of acquisition cost and fair market value. Both physical and financial freight contracts are valued against the forward curves as of December 31. The fair market value of these contracts also includes estimated future losses due to counterparty risk. Loss provisions are made to the extent that the fair market value of the portfolio is negative. Any positive value exceeding acquisition cost is not recognized.



EASTERN BULK CARRIERS AS

Notes to the accounts for 2021

All numbers are in USD

Note 2 - Debts and receivables

<i>Receivables due in more than one year</i>	2021	2020
Loans to group companies	170 000	234 190
<i>Other long term debt</i>	2021	2020
Debt to associated parties	-8 626 760	-9 064 989
Debt to group company	0	-164 077
Total	<u>-8 626 760</u>	<u>-9 229 066</u>
<i>Current receivables</i>	2021	2020
Trade receivables	358 940	118 460
Revenue not yet invoiced	744 352	100 665
Other short term receivables	826 257	159 842
Total	<u>1 929 549</u>	<u>378 967</u>
<i>Current liabilities</i>	2021	2020
Trade creditors	-400 392	-1 937 306
Deferred revenue	-1 003 700	-54 077
Accrued voyage cost and accrued expenses	-22 247	7 516
Intercompany short term debt	-13 645	-2 119 042
Total	<u>-1 439 984</u>	<u>-4 102 909</u>

Note 3 - Intercompany balance with group and associated companies

<i>Receivables</i>	2021	2020
Intercompany loans	170 000	234 190
Other receivables	25 189	0
Total intercompany receivables	<u>195 189</u>	<u>234 190</u>
<i>Payables</i>	2021	2020
Other short term payables	-13 645	-2 119 042
Intercompany debt	0	-164 077
Total intercompany payables	<u>-13 645</u>	<u>-2 283 119</u>



EASTERN BULK CARRIERS AS

Notes to the accounts for 2021

All numbers are in USD

Note 4 - Other financial income and expenses

	2021	2020
<i>Other financial income</i>		
Interest income	1 456	0
Currency gain	382 413	610 231
	<u>383 869</u>	<u>610 231</u>
<i>Other financial expenses</i>		
Currency loss	0	-394 113
Other financial expenses	-16 796	-18 088
	<u>-16 796</u>	<u>-412 201</u>

Note 5 - Other operating expenses

	2021	2020
<i>Other operating expenses</i>		
Management fee and administration costs	-1 926 337	-1 124 419
Insurance	-98 804	-169 819
Professional fees	-80 781	-79 793
Actual and accrued loss bad debt	-97 607	-21 105
Other operating expenses	-73 935	-460
	<u>-2 277 464</u>	<u>-1 395 596</u>

Note 6 - Payroll expenses, number of employees and loans to employees and auditor's fee

The total number of employees in the company during the year: 0

The company has no employees, and is not required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pension Act.

The Company buys administrative and commercial services from Tidships Services AS, included under Other operating expenses.

<i>Auditor fee has been divided as follows</i>	2021	2020
Statutory audit fee	22 131	8 580
VAT is not included in the auditor fees.		

Note 7 - Inventories

	2021	2020
Bunkers	0	118 872

The bunker inventory on board our vessels are Very Low Sulphur Fuel Oil and Low Sulphur Marine Gas Oil.



EASTERN BULK CARRIERS AS

Notes to the accounts for 2021

All numbers are in USD

Note 8 - Owners equity

	Share capital	Other paid-in capital	Other equity	Total
Owners equity 01.01.	7 104 134	3 593 228	-19 266 965	-8 569 603
Profit for the year	0	0	14 019 306	14 019 306
Merger with Eastern Bulk AS	0	427 359	-6 148 346	-5 720 987
Owners equity 31.12.	7 104 134	4 020 587	-11 396 005	-271 284

Note 9 - Equity

Share capital:

	Number of shares	Face value	Book value
Share capital	48 714	1 283	62 500 062

Share capital NOK 62.500.062 / USD 7.104.133

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
Tidships AS	48 714	100 %	100 %

On 01.01.2021 Eastern Bulk Carriers AS merged with its sister company Eastern Bulk AS. Both companies were 100% owned by Tidships Services AS. The merger was accounted for using the continuity method.

Note 10 - Related parties

The company transact business with other companies in the Tidship Group.

The Company charter in vessel Stove Ocean on a long term TC contract with owner Stove Bulk AS at market terms.

Note 11 - Financial market risk

There is a credit risk related to the company's business. Eastern Bulk Carriers AS is monitoring the financial solidity of its counterparties and historically the credit losses have been moderate.

Exchange rate risk

The functional currency is USD, and except administration cost, all revenue and operating costs are in USD. Due to limited risk related to currency, the company is not hedging any of its currency positions.



EASTERN BULK CARRIERS AS

Notes to the accounts for 2021

All numbers are in USD

Note 12 - Leasing contracts

The company's committed lease agreements on vessels is limited to maximum 2 years. Total commitment for 2022 is USD 27.2 million allocated on 1393 vessel days. The lease agreements are classified as operational leases.

Note 13 - Income taxes

<i>Income tax expenses</i>	2021	2020
Change in deferred tax	488 884	0
Total income tax expense	488 884	0
<i>Tax base estimation</i>	2021	2020
Ordinary result before tax	14 378 548	-5 526 151
Permanent differences	3 365	0
Change in temporary differences	-16 900	-21 835
Currency effect	-534 690	-15 567
General income	13 830 323	-5 563 553
Applied loss carry forward	-13 830 323	
Tax loss carry forward	0	-25 092 874
Tax base	0	-30 656 427
<i>Temporary differences outlined</i>	2021	2020
Fixed assets	-67 598	-87 338
Tax loss carry forward	-21 138 409	-30 656 427
Net temporary differences 31.12	-21 206 007	-30 743 765
Not included in basis for deferred tax asset	-5 309 292	-12 624 848
Total	-15 896 715	-18 118 917
Deferred tax asset (22%)	-3 497 277	-3 986 162



EASTERN BULK CARRIERS AS

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EASTERN BULK CARRIERS AS

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EASTERN BULK CARRIERS AS

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EASTERN BULK CARRIERS AS

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Cash flow from investing activities			
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EASTERN BULK CARRIERS AS

Board of directors' report 2021

EASTERN BULK CARRIERS AS

Adress: Strandveien 17, 1366 LYSAKER

Org.nr: 968860577 MVA

The business

EASTERN BULK CARRIERS AS transports dry bulk commodities on the high seas.

The Company operated around 7 Supramax vessels in 2021 and has a fleet of efficient and well-maintained vessels, consisting of both long and short term chartered in tonnage.

The Company operates from offices in Lysaker.

The dry bulk market

The Baltic Supramax index averaged US\$ 26 708 per day in 2021(2020:US\$ 8.189 per day), ranging from US\$ 11 242 to 39 860 per day the market significantly improved in 2021 compared to 2020 driven by high demand for dry bulk commodities.

The index has so far averaged US\$ 27.003 per day in 2022 (as of 17.06), hence a solid start of the year in the dry bulk markets.

Accurate description

The Board considers that the annual accounts give an accurate description of EASTERN BULK CARRIERS AS's assets and liabilities, financial position and result.

Financials 2021

The Company generated revenues of US\$ 59.949.979 in 2021 and had an operating profit of US\$ 14.141.117. The ordinary result before tax for the year was US\$ 14.378.549.

The equity at year-end was negative with US\$ 271.284. This is supplemented by long term, subordinated shareholder loan amounting to US\$ 8.6 million.

Statement regarding the outlook for the company

The Company has focused on building and maintaining a robust financial structure and a solid cash position in 2021 and 2022. So far in 2022, the demand for dry bulk commodities has been strong which has positively affected both the Company's cash flow from operations as well as equity, which at the end of Q1 2022 is positive.

Operational risk

The two main risks associated with the Company's business are the development of the spot rates for chartering in vessels and the world-wide demand for freight services in these segments.

The Company manages these risks by adjusting its freight capacity and its commitments to provide freight services based on its market expectations. The exposure related to any long-term charters of vessels is reduced by freight forward contracts when this is deemed to be beneficial.

The Company is exposed to counterparty risk and seeks to reduce this by monitoring the financial solidity of its counterparties closely.

Other operating risks are managed by entering industry standard insurance schemes.

Financial risk

The Company's currency exposure is limited. Both revenue and cost are primarily in USD. The Company thus



EASTERN BULK CARRIERS AS

takes no specific actions to reduce its exposure to currency risk.

A going concern

In accordance with the section 3-3 of the Accountancy Act, we confirm that EASTERN BULK CARRIERS AS meets the requirements for continuation as a going concern.

The company's equity is negative at year end, but positive by the end of Q1 2022. The equity is supported by a long term shareholder loan of US\$ 8.6 mill. The dry bulk market outlook is considered positive and the Company has a positive EBITDA and strong cash flow in 2022.

Based on these assumptions the annual accounts are prepared based on the principle of going concern.

The external environment

The Company's activities consist of chartering and operating dry bulk vessels for the transportation of products such as minerals, cement, bauxite, steel, grains and coal. The chartering and operating of the Company's vessels fully comply with international rules and standards in the jurisdictions and sectors in which the Company operates its fleet.

Board of EASTERN BULK CARRIERS AS

Christian Andersen
Chairman