



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 979 993 609
Organisasjonsform: Aksjeselskap
Foretaksnavn: WESTERN BULK CARRIERS AS
Forretningsadresse: Henrik Ibsens gate 100
0255 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Kenneth Thu
Dato for fastsettelse av årsregnskapet: 29.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 11.06.2025



Resultatregnskap

Beløp i: USD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Gross revenue	1	623 427 000	955 635 000
Voyage expenses		-265 834 000	-311 285 000
Sum inntekter		357 593 000	644 350 000
Kostnader			
T/C expenses		352 158 000	591 744 000
Other vessel expenses		1 443 000	1 260 000
Administration expenses	2,3,4	14 578 000	25 474 000
Provision for future loss	5	0	0
Sum kostnader		368 179 000	618 478 000
Driftsresultat		-10 586 000	25 872 000
Finansinntekter og finanskostnader			
Annen renteinntekt		445 000	143 000
Sum finansinntekter		445 000	143 000
Annen rentekostnad		133 000	92 000
Gain/(loss) on foreign exchange		-496 000	637 000
Other financial items		-75 000	89 000
Sum finanskostnader		-438 000	818 000
Netto finans		883 000	-675 000
Ordinært resultat før skattekostnad		-9 703 000	25 197 000
Tax income/expense	6	1 065 000	1 063 000
Ordinært resultat etter skattekostnad		-10 768 000	24 134 000
Årsresultat		-10 768 000	24 134 000
Overføringer og disponeringer			
Ordinært utbytte		0	10 000 000
To/(from) other equity		-10 768 000	14 134 000
Sum overføringer og disponeringer	7	-10 768 000	24 134 000



Resultatregnskap

Beløp i: USD	Note	2023	2022
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Balanse

Beløp i: USD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investment in financial assets	8	0	0
Sum finansielle anleggsmidler		0	0
Sum anleggsmidler		0	0
Omløpsmidler			
Varer			
Bunker stocks	9	20 790 000	23 916 000
Sum varer		20 790 000	23 916 000
Fordringer			
Accounts receivable		14 613 000	17 745 000
Other receivables		0	0
Konsernfordringer	4	4 617 000	38 656 000
Sum fordringer		19 230 000	56 401 000
Bankinnskudd, kontanter og lignende			
Bank deposits	10	1 489 000	2 449 000
Sum bankinnskudd, kontanter og lignende		1 489 000	2 449 000
Sum omløpsmidler		41 509 000	82 766 000
SUM EIENDELER		41 509 000	82 766 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		37 000	37 000
Sum innskutt egenkapital		37 000	37 000



Balanse

Beløp i: USD	Note	2023	2022
Opptjent egenkapital			
Other equity		20 540 000	31 308 000
Sum opptjent egenkapital		20 540 000	31 308 000
Sum egenkapital	7	20 577 000	31 345 000
Gjeld			
Langsiktig gjeld			
Utsatt skatt	6	64 000	83 000
Sum avsetninger for forpliktelser		64 000	83 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		64 000	83 000
Kortsiktig gjeld			
Leverandørgjeld		5 199 000	6 920 000
Taxes Payable	6	1 083 000	1 081 000
Utbytte		0	10 000 000
Kortsiktig konserngjeld	4	2 169 000	18 195 000
Other payable		12 417 000	15 140 000
Short term interest-bearing debt	10	0	2 000
Sum kortsiktig gjeld		20 868 000	51 338 000
Sum gjeld		20 932 000	51 421 000
SUM EGENKAPITAL OG GJELD		41 509 000	82 766 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 646343

Enheten

Organisasjonsnummer: 979 993 609
Organisasjonsform: Aksjeselskap
Foretaksnavn: WESTERN BULK CARRIERS AS
Forretningsadresse: Henrik Ibsens gate 100
0255 OSLO

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Morselskap i konsern: Nei

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årsregnskapet til selskapet: Regnskapslovens alminnelige regler

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Brønnøysundregistrene, 18.07.2024



Organisasjonsnr: 979 993 609
WESTERN BULK CARRIERS AS

RESULTATREGNSKAP

Beløp i: USD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Gross revenue	1	623 427 000	955 635 000
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Sum finansinntekter		445 000	143 000
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Other financial items		-75 000	89 000
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Organisasjonsnr: 979 993 609
WESTERN BULK CARRIERS AS

BALANSE

Beløp i: USD Note 2023 2022

BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Finansielle anleggsmidler

Investment in financial assets	8	0	0
Sum finansielle anleggsmidler		0	0
Sum anleggsmidler		0	0

Omløpsmidler

Varer

Bunker stocks	9	20 790 000	23 916 000
Sum varer		20 790 000	23 916 000

Fordringer

Accounts receivable		14 613 000	17 745 000
Other receivables		0	0
Konsernfordringer	4	4 617 000	38 656 000
Sum fordringer		19 230 000	56 401 000

Bankinnskudd, kontanter og lignende

Bank deposits	10	1 489 000	2 449 000
Sum bankinnskudd, kontanter og lignende		1 489 000	2 449 000

Sum omløpsmidler 41 509 000 82 766 000

SUM EIENDELER 41 509 000 82 766 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital		37 000	37 000
Sum innskutt egenkapital		37 000	37 000

Opptjent egenkapital

Other equity		20 540 000	31 308 000
Sum opptjent egenkapital		20 540 000	31 308 000

Sum egenkapital 7 20 577 000 31 345 000

Gjeld



Langsiktig gjeld			
Utsatt skatt	6	64 000	83 000
Sum avsetninger for forpliktelses		64 000	83 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		64 000	83 000
Kortsiktig gjeld			
Leverandørgjeld		5 199 000	6 920 000
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Organisasjonsnr: 979 993 609
WESTERN BULK CARRIERS AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
0.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp

Beholdning av egne aksjer Antall Pålydende Andel av aksjek.



Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 03.05.2011	Vår dato 11.05.2011
Telefon 22077325	Deres referanse Trine Angell-Hansen	Vår referanse 2011/494740

Kjelstrup & Wiggen AS
Henrik Ibsens gate 20
0255 OSLO

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for Western Bulk Carriers AS, org. nr: 979 993 609

Det vises til deres brev av 3. mai 2011. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Western Bulk Carriers AS.

Bakgrunn

Western Bulk Carriers AS er et heleid datterselskap av Western Bulk Chartering AS som igjen eies av Western Bulk AS. De to sistnevnte selskapene er i vedtak fra Skattedirektoratet av 1. oktober 2010 innvilget dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk språk. Western Bulk Carriers AS har fra 1. januar 2011 overtatt all virksomheten fra søsterselskapet Western Bulk Carriers KS. Dette siste selskapet er også innvilget dispensasjon fra norsk språk i samme vedtak som er nevnt ovenfor. Western Bulk konsernet driver virksomhet innen shipping. Selskapet er operatør og befrakter, og disponerer kommersielt i 2010 mellom 69 – 95 skip som opererte over hele verden. Engelsk språk benyttes i hovedsak ved all kommunikasjon og rapportering både intern i selskap, og eksternt mot forretningspartnere.

Skattedirektoratets vurdering og konklusjon

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 skjævt 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.

Postadresse	Besøksadresse	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org. nr: 996250318	Telefaks
For elektronisk henvendelse se www.skatteetaten.no		22 17 08 60



2011/494740 Side 2 av 2

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

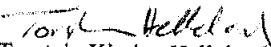
Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Selskapet virksomhet er i en internasjonal bransje og arbeidsspråket er engelsk. Alle sentrale aktører innen den bransje selskapet jobber, antas å måtte beherske og benytte engelsk språk. Selskapet inngår i et konsern hvor overliggende to eierledd alt er innvilget dispensasjon fra språkkravet.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering Western Bulk Carriers AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Jan Hoelstad



Western Bulk Carriers AS The Board of Directors' Report 2023

Western Bulk Carriers AS is a leading dry bulk operator in the Handysize to Supramax dry bulk vessel segment. During 2023 the Company operated an average of 70 vessels worldwide, compared to 62 in 2022. The Company has no employees and is located in Oslo, Norway.

Ownership Structure

The company is owned 100% by Western Bulk Chartering AS.

Market Development

During 2023, the dry bulk market experienced notable fluctuations characterized by contrasting performances across regions. Initially, the market started on a strong note but witnessed a decline from mid-March towards the third quarter, with the Baltic Supramax Index averaging USD 10,457/day in the first half, a significant drop of 53% from the previous year. This decline was largely driven by challenges in the Pacific market, where weak coal demand from India and subdued economic conditions dampened activity. Conversely, the Atlantic market showed more resilience, benefiting from factors such as congestion, reduced backhaul shipments, and steady grain exports from regions like the East Coast South America and the Black Sea.

As the year progressed, the market gradually improved, particularly in the second half. The Baltic Supramax Index averaged USD 12,022/day in the second half of 2023, marking a 15% increase from the first half, mainly driven by a surprisingly strong performance in the Atlantic region. Factors such as increased grain, coal, and fertilizer shipments contributed to this improvement, along with issues like draft problems in the Panama Canal, which tightened supply conditions and led to diversions through alternative routes like the Suez Canal. Despite some signs of improvement, the Pacific market remained subdued, with rates staying relatively flat throughout the year.

Towards the end of 2023, the Atlantic Supramax market continued to increase which led the spread in rates between the two basins to reach record highs of almost USD 20,000/day. This caused the inflow of ballast from Pacific to Atlantic to increase, but onset of tensions in the Red Sea and continued draft issues in Panama Canal has limited this effect.

Financial Performance

For most of the year, the company has had a negative market view and held corresponding positions, as well as invested heavily in new trading areas. The company has been conscious of not taking on too much long exposure at what was considered inflated levels against the forward freight market. At times this led to short positions with an overweight of cargo commitments covered by more expensive vessels as the market increased more than expected. The company has also made investments in new trading areas. In addition, the situation in the Panama Canal with restrictions and increased fees had a negative impact on the second half year results. The company recorded a loss of USD 10.8 million after tax in 2023 compared to a profit of USD 24.1 million in 2022. The turnover, expressed as gross freight revenues, decreased from USD 955.6 million in 2022 to USD 623.4 million in 2023. The balance sheet total was USD 41.5 million at the end of 2023 compared to USD 82.7 million the year before. The equity ratio was 50 % as of 31. 12.2023 compared to 38% as of 31.12.2022.

Financial Risk

The company's credit risk mainly relates to freight payable from our counterparts for voyages being performed. Such freight is mainly due at commencement of the voyage, and if not paid, the company will in most cases have a lien on the cargo.

The company's liquidity risk is mainly related to timing of cash in- and outflows and the company continuously monitors its cash reserve and available liquidity to ensure sufficient liquidity is available to meet the known obligations of its operations.

Market Risk

Western Bulk Carriers AS measures its market risk on a daily basis through a well established risk control and monitoring system. The risk system sets absolute limits to the level of exposure taken by the company such as being long/short on vessels relative to contract coverage, being long/short on geographical areas, vessel sizes and trade routes, utilising options on cargoes and vessels etc. The company is not necessarily seeking to minimise the market risk, but rather to quantify and measure it to be able to take calculated positions in the market. The company actively uses derivatives such as freight forward agreements, bunker swaps and other financial instruments to hedge its market exposure.

Environment

Western Bulk Carriers AS' activities consist of chartering and operation of dry bulk vessels for the transportation of products such as minerals, timber, cement, bauxite, steel products, grains, coal and more. The chartering and operation of chartered-in vessels fully comply with international rules and standards in the jurisdictions and sectors in which they operate.

Future Development

The global dry bulk fleet is expected to expand by about 2.5% for 2024, above the expected growth of global dry bulk trade at about 2%. In particular, the Supramax fleet is expected to grow 3.6% for the full year, broadly matching the projected growth of minor bulk trade at 3.6%. With a smaller fleet growth, the larger gearless segments are expected to enjoy better fleet utilization than its smaller geared siblings.



However, there could be further upside to the outlook due to potential disruptions created by ongoing geo-political events in Red Sea and weather issues. Rates are overall expected to improve compared to 2023 and we also expect the Atlantic basin to continue to outperform the Pacific. Main downside risks are an uncertain Chinese economic outlook, end of disruptions in Panama canal and Red Sea, and downward revisions of the grain harvests in main exporters US and Brazil due to extreme weather

Transparency Act

The Norwegian Transparency Act came into force on 1 July 2022. This implements OECD guidelines and UN guiding principles on business and Human Rights for Norwegian enterprises. During 2023 the Group has continued its review of suppliers according to the annual statement published on the website in June 2023. The annual statement for 2023 will be published on westernbulk.com/who-we-are within 30 June 2024.

Directors & Officers Liability Insurance

The Kistefos Group maintains a Directors & Officers liability insurance issued by Ryan Speciality Group Sweden AB which covers companies owned or controlled by Kistefos Group and which includes the Western Bulk group of companies. The insurance covers the liability of directors, employees exercising managerial or supervisory functions and the general counsel for wrongful acts or omissions committed (or allegedly committed) for and on behalf of the company. The policy covers claims made in relation to civil claims, employment practices, regulatory investigations and proceedings, criminal proceedings and the company's securities.

In accordance with §3-3a of the Norwegian Accounting Act, the Board confirms that the financial statements have been prepared under the assumption of going concern. The assumption is based on estimated results for 2023 and the company's long term strategy.

Result for the Year and Allocations

The Board recommends the following allocation of the year's net result:

To/(from) other equity	USD	-10 768 132
Total allocations	USD	-10 768 132

Oslo, 29.05.2024

Ørjan Svanevik
Chairman of the Board



Western Bulk Carriers AS

PROFIT AND LOSS STATEMENT

(USD 1.000)

	Note	2023	2022
Gross revenues	1	623 427	955 635
Voyage expenses		-265 834	-311 285
Freight revenues on T/C-basis		357 593	644 350
T/C expenses		-352 158	-591 744
Other vessel expenses		-1 443	-1 260
Administration expenses	2, 3, 4	-14 578	-25 474
Provision for future loss	5	-	-
Operating expenses		-368 179	-618 478
Operating profit/(loss)		-10 586	25 872
Net interest income		445	143
Net interest expense		-133	-92
Gain/(loss) on foreign exchange		496	-637
Other financial items		76	-89
Net finance		884	-675
Profit/(loss) before tax		-9 703	25 197
Tax income/(expense)	6	-1 065	-1 063
Profit/(loss) for the year		-10 768	24 134
Allocations:			
Dividend			10 000
To/(from) other equity		-10 768	14 134
Total allocations	7	-10 768	24 134



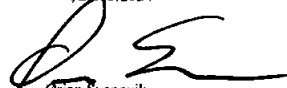
Western Bulk Carriers AS

BALANCE SHEET

(USD 1.000)

ASSETS	Note	2023	2022
Non current assets			
Investment in financial assets	8	-	-
Total non current assets		-	-
Current assets			
Accounts receivable		14 612	17 744
Receivables from group companies	4	4 617	38 656
Other receivables		0	0
Bunker stocks	9	20 790	23 916
Bank deposits	10	1 489	2 449
Total current assets		41 509	82 766
TOTAL ASSETS		41 509	82 766
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital		37	37
Total paid-in capital		37	37
Retained earnings			
Other equity		20 540	31 308
Total retained earnings		20 540	31 308
TOTAL SHAREHOLDERS' EQUITY	7	20 577	31 345
LIABILITIES			
Long term liabilities			
Deferred tax liability	6	64	83
Total long term liabilities		64	83
Short term liabilities			
Accounts payable		5 199	6 921
Other payable		12 417	15 140
Taxes payable	6	1 083	1 081
Short term interest-bearing debt	10	-	2
Provision Dividend		-	10 000
Liabilities to group companies	4	2 169	18 195
Total short term liabilities		20 868	51 338
TOTAL LIABILITIES		20 932	51 421
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		41 509	82 766

Oslo, 29.05.2024


Ørjan Svanevik
Chairman of the Board



Western Bulk Carriers AS

CASH FLOW STATEMENT

(USD 1.000)

CASH FLOW FROM OPERATIONS	2023	2022
Profit/(loss) before tax	-9 703	25 197
Tax paid	-1 039	-732
Changes in bunker stocks	3 127	-4 185
Changes in current receivables and current liabilities	-1 357	4 825
Net cash flow from/(to) operating activities	-8 972	25 104
CASH FLOW FROM INVESTMENTS		
Sale of other shares and units		
Investments in financial assets		530
Net cash flow from investments	-	530
CASH FLOW FROM FINANCING ACTIVITIES		
Group contribution paid		
Changes in short term debt	-2	-1 618
Paid dividend	-10 000	-15 000
Change in receivable from group companies	34 039	-1 927
Change in liabilities to group companies	-16 025	-7 433
Net cash flow from financing activities	8 011	-25 978
Net change in liquidity during the year	-960	-343
Liquid assets as of 01.01.	2 449	2 792
Liquid assets as of 31.12.	1 488	2 449



WESTERN BULK CARRIERS AS

Notes 2023

Accounting principles

The accounts have been prepared in accordance with the Accounting Act of 1998 and generally accepted accounting principles in Norway. The main accounting principles are described below. Unless otherwise stated, all figures specified in the notes are quoted in US dollars (USD) 1,000. The annual accounts have been prepared on a going concern basis.

Reporting currency and functional currency

Based on historical figures, almost 100% of freight income, operating expenses for the vessels, bank deposits, receivables, accounts payable, and external financing are denominated in USD. The functional currency for the company is therefore USD.

Foreign currency 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 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. The following exchange rates have been used as of 31.12.2023:

USD/NOK 10,1724

Classification of assets and liabilities

Current assets and current liabilities include items that fall due within one year as well as items associated with the business flows. Other items are defined as fixed assets/long term liabilities.

Revenue recognition

Revenues are measured at the fair value of the consideration received or receivable, and are presented net of commissions. Revenues 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. A voyage is defined as starting after unloading the previous voyage (discharge-to-discharge). Hence the voyage result is also accrued with the inclusion of actual number of days resulting from the period of ballast, waiting for orders and loading the vessel. Although the company has major freight contracts covering several accounting years, accounting is based on individual voyages.

Use of estimates

In accordance with generally accepted accounting principles, the company's management must make estimates and assumptions that influence the value of assets and liabilities in the balance sheet and the amount of revenues and expenses included in the accounts during the accounting period. The actual figures may vary from these estimates. When preparing the accounts, best estimates based on information available at the time the accounts are prepared, are used.

Bunkers, other inventory and receivables

Inventories are valued at the lower of historical cost price according to "first in first out" principle and estimated market value. Receivables are recorded at nominal value less expected losses.

Taxes

The tax expense in the profit and loss accounts includes both taxes payable for the period and changes in deferred taxes. The change in deferred tax reflects changes in future tax liabilities and assets as a result of timing differences between the tax and the accounts. Deferred tax is the tax that relates to the accumulated result, but is paid in a subsequent period. Deferred tax/deferred tax assets have been calculated on net positive temporary differences between accounting and tax-based balance sheet values and which are reversed within a reasonable period of time together with the deferred tax asset related to tax losses carried forward.

Contingent loss/gain

Provisions have been made for contingent losses that are likely and quantifiable. Contingent gains are not recorded.

Financial instruments and hedge accounting

The company has defined a hedging strategy and applies financial instruments such as freight derivatives, bunker derivatives and currency derivatives to hedge future results. In accordance with the Norwegian Accounting Act §4-1 no. 5, profit/(loss) on hedging contracts are recognised in the same period as the profit/(loss) related to the hedged object is recognised for all derivatives entered into as part of the hedging policy. The company has classified the hedges as cash flow for accounting purposes. The market value of the derivatives are kept off-balance until realised. Option premiums paid/received and for any cleared derivatives the settlement paid or received are recognised as current assets and liabilities respectively, until maturity of the derivative when gain/loss is recognized in the profit and loss statement or whenever the assets are considered impaired. Impairment is recognised for the amount by which the market-to-market value of the company's total contract portfolio (TCs, COAs, FFAs and bunker hedges) is negative. If the negative amount exceeds the assets related to the portfolio, including any prepaid amounts for derivatives, an accrual for the liabilities are made. Profit and loss from derivatives is classified as T/C expenses for freight derivatives, voyage expenses for bunker derivatives and as gain/(loss) on foreign exchange for currency derivatives.

Cash flow statement

The cash flow statement is based on the indirect method. Restricted bank deposits are recorded as cash equivalents. Shares are considered to have a high price risk and are not classified as cash equivalents.

Subsequent events

New information related to events that existed on the balance sheet date has been included in the estimates. Important events taking place after the balance sheet date are described in the notes.

Changes in accounting principles

There are no material changes in the accounting principles for the periods presented.



WESTERN BULK CARRIERS AS

Notes 2023

Note 1 - Revenues

(USD 1.000)

	2023	2022
By business area		
Chartering and Operation	623 427	955 635
Total	623 427	955 635
Geographical distribution		
U.S.A.	89 713	112 562
Singapore	72 270	138 223
Switzerland	69 489	90 937
Germany	36 014	40 191
Channel Islands	30 704	23 599
Norway	29 203	39 147
U.A.E.	25 791	56 353
Japan	23 686	17 745
Hong Kong	20 307	12 498
U.K.	19 333	53 803
Denmark	18 960	18 948
Netherlands	16 305	5 466
Brazil	15 585	10 111
Panama	13 586	44 320
Isle of Man	11 642	3 854
France	10 764	23 291
Morocco	10 312	27 776
Korea, Republic	9 967	15 813
Sweden	9 073	7 615
Luxembourg	8 110	17 078
Other	82 613	196 305
Total	623 427	955 635

The geographical distribution of revenues has been based on the customer's (charterer's) location.

Note 2 - Administrative expenses

The Company has no employees. All employees in the Norwegian activity of the Western Bulk Chartering Group are employed by the management company Western Bulk Management AS. Consequently Western Bulk Carriers AS is not obliged to have mandatory occupational pension scheme according to the Act relating mandatory occupational pensions. Western Bulk Management AS performs management and agency services for Western Bulk Carriers AS and receives a fee for these services based on arm's length terms.

Note 3 - Remuneration to the Auditor

Auditor (USD 1.000)	2023	2022
Statutory audit	30	30
Tax advice	0	0
Other services outside the audit scope	3	3
Total	33	33

Note 4 - Intra-group balances and transactions with related parties

At the end of the year, the company had the following amounts outstanding from/(to) group companies:

Intra-group balances (USD 1.000):	2023	2022
Western Bulk Chartering AS *	4 311	23 732
Western Bulk Pte Ltd	-55	671
Western Bulk Management AS	-1 200	-13 434
Western Bulk Carriers (Seattle) Inc	-463	-324
Western Bulk Chile Ltda	-92	-140
Western Bulk (Denmark) ApS	-53	-45
Net receivables/(liabilities) from group companies	2 448	10 461

*) Western Bulk Chartering AS and subsidiaries entered into a cash pool structure in 2019 where Western Bulk Chartering AS is the Group Account Holder. As per 31.12.2023, Western Bulk Carriers AS had a net receivable due to the Group Account Holder of USD 1.118.932. The amounts presented are net receivables/liabilities per counterpart, while balance sheet presents gross amounts.

The company has transactions with related companies and all transactions have been carried out as part of the ordinary operations and at arms-length prices. The most significant transactions are as follows:

Agency service fee to Western Bulk Management AS amounting to USD 3.2 million and to Western Bulk Chile Ltda amounting to USD 1.5 million. Management service fee to Western Bulk Management AS amounting to USD 7.4 million.



WESTERN BULK CARRIERS AS

Notes 2023

Note 5 - Contingencies and provisions

Provisions for disputes

The Company is involved in several disputes, including lawsuits, both as defendant and plaintiff. Based upon the Company's own views as well as opinions received from lawyers, provisions based on best estimate have been made in respect of the Company's total exposure. The actual outcomes of these disputes are unknown, and it could take several years before the disputes and claims are finally settled. Consequently, there are uncertainties related to the estimates for provisions, which, depending on the outcome of each case, could prove to be insufficient to cover potential liabilities.

Due to ongoing disputes, the Company chooses not to disclose details of accruals. The total amount provided for where the Company has uninsured exposure in litigation is USD 5.8 million as of 31.12.2023 compared to USD 7.8 million as of 31.12.2022.

Write-offs and losses

Provisions of USD 2.1 million related to the market value of various legacy contracts across the Group remain unchanged as of 31.12.2023.

Impairment provisions

As of 31.12.2023 the Company's forward book of contracts has a positive value and no general provision for future loss has been made.

Note 6 - Tax

(USD 1,000)

The tax expense for the year consists of:	2023	2022
Tax payable	-353	-407
Under provision of taxes payable for previous years	-24	-1
Tonnage tax	-704	-675
Changes in deferred tax	16	21
Total tax income/(expense)	-1 065	-1 063
Net taxable financial income	-	-
Net taxable income	1 606	1 851
Utilization of tax loss carried forward	-	-
Basis for tax payable	1 606	1 851
Tax payable 22%	353	407
Tonnage tax	704	675
Translation differences	25	-1
Tax payable	1 083	1 081
Gain account for deferral	293	377
Tax loss carried forward	-	-
Total temporary differences	293	377
Deferred tax liability/(asset) 22%	64	83

Note 7 - Equity

(USD 1,000)

	Share capital	Other paid-in equity	Other equity	Total
Equity as of 01.01.2023	37	-	31 308	31 345
Proposed dividend	-	-	-	-
Profit/(loss) for the year	-	-	-10 768	-10 768
Equity as of 31.12.2023	37	-	20 540	20 576

Western Bulk Carriers AS is 100% owned by Western Bulk Chartering AS, and the share capital consists of 1 share with nominal value NOK 300 000.

Note 8 - Shares in subsidiaries and other companies

(USD 1,000)

	Business office	Ownership share/ voting share	Book value (USD)
Western Bulk Carriers AS has the following ownership as of 31.12.2023			
C-Bulk KS	Oslo, Norway	10 %	-
Investments in shares			-



WESTERN BULK CARRIERS AS

Notes 2023

Note 9 - Financial instruments

Dry-bulk freight market

Western Bulk Carriers AS is exposed to the global market for dry bulk freight, and its results will vary with freight rates, depending on its positioning in the market. The company may at times have a surplus or a shortage of chartered tonnage, relative to its cargo commitments. In addition, Western Bulk Carriers AS utilizes freight derivatives to hedge or adjust its exposures in the physical freight market. Its net position will generally be non-zero, and as a consequence it is exposed to changes in freight rates for the net surplus/shortage of vessels.

Operational risk

The company is exposed to its ability to maintain a high utilization rate for its fleet and the ability to operate the vessels in the most efficient and economical manner. This depends on the skills of its chartering and operations personnel, as well as at the general conditions in the freight market. The company has credit and counterparty risk related to its business, and has well-established policies for monitoring counterparty performance and credit approval procedures. The credit approval procedure is based on both external rating services and internal investigations.

Bunker prices

Fluctuation in fuel oil prices is another substantial risk for Western Bulk Carriers AS, as fuel costs constitute a significant part of voyage costs. Exposures are created when future freight rates are set without indexation to fuel prices. The company hedges its exposures in the fuel oil market using fuel and crude oil swaps and options.

Foreign currency instruments

The main part of revenues, costs and borrowings are in USD.

Bunkers instruments

The company hedges its bunkers exposure related to freight contracts. The mark-to-market value of the contracts as of 31.12.2023 amounted to USD -0.8 million.

	Market value MUSD
Bunker hedges (swaps and options) 2024	-0,6
Bunker hedges (swaps and options) 2025	-0,2
Total	-0,8

Freight instruments

As of 31.12.2023 the company had entered into FFA contracts (forward freight agreements) and freight options for the period 2024-2027. The mark-to market value of the contracts as of 31.12.23 amounted to USD 0.6 million.

	Market value MUSD
FFA (forward freight agreements incl. options) 2024	0,6
FFA (forward freight agreements incl. options) 2025	0,3
FFA (forward freight agreements incl. options) 2026	-0,1
FFA (forward freight agreements incl. options) 2027	-0,1
Total	0,6

Note 10 - Guarantee commitments and pledged assets

Western Bulk Carriers AS has entered into a USD 20 million Revolving Credit Facility (RCF) together with Western Bulk Pte Ltd as borrowers and guarantors and together with Western Bulk Chartering AS as guarantor. The facility is secured with joint guarantees of up to USD 24 million per guarantor and a first priority pledge over the borrowers' accounts receivables and certain bank accounts. The facility was closed down in September 2023 and replaced by a new USD 25 million Overdraft Facility in January 2024.

Western Bulk Carriers AS has entered into a USD 10 million Frame agreement for extended payment of bunker invoices together with Western Bulk Pte Ltd as borrowers and guarantors and together with Western Bulk Chartering AS as guarantor. The joint corporate guarantees amounts to USD 12 million per guarantor. Outstanding amount for the Company regarding this agreement as of 31.12.23 was nil.

Western Bulk Carriers AS has entered into a USD 2 million Common Terms Agreement for Bank Guarantees together with Western Bulk Pte Ltd as Obligors and together with Western Bulk Chartering AS as Customer. Any bank guarantees shall be secured by a 100% cash deposit on a Guarantee Deposit account. USD 0.7 million in bank guarantees were issued under the Agreement as per 31.12.23.



WESTERN BULK CARRIERS AS

Notes 2023

Western Bulk Carriers AS has pledged the same assets as under the RCF as security for the parent company Western Bulk Chartering AS' USD 10 million Overdraft Facility. The USD 10 million Overdraft Facility was closed down in January 2024 and replaced by the new USD 25 million Overdraft Facility. The new Overdraft Facility is secured by first priority pledges in Western Bulk Carriers AS' and Western Bulk Pte Ltd's account receivables.

Western Bulk Carriers AS is VAT-registered together with the following companies:
Western Bulk Management AS
Western Bulk Chartering AS

All companies are jointly and severally liable for any debt towards the public authorities.

Note 11 - Commitments

Long Term TC contracts

Vessels chartered in on time charter for a period represents a commitment to pay hire. The minimum nominal hire payable represents a lease commitment of USD 111,4 million exclusive of optional periods.

	2024	2025	2026	Beyond	Total
Nominal Hire Commitment (USD 1,000)	106 039	5 367	-	-	111 406
Vessel Hire Days	7 271	358	-	-	7 630
Average Rate USD/Day	14 583	14 974	n.a.	n.a.	14 601
Vessel Equivalent/year	19,9	1,0	n.a.	n.a.	n.a.

Note 12 - Estimates

Since a number of voyage related income and expenses are finalized a while after the voyage is completed, these are estimated until final invoices have been issued or received. As the accounts are based on a number of estimates, the 2023 profit and loss statement has been positively impacted by USD 0.9 million due to the difference between estimated and actual expenses related to previous voyages. The 2022 profit and loss statement had a positive adjustment of USD 2.2 million for prior period voyages.

Note 13 - Group relationship

Western Bulk Carriers AS is included in the consolidated financial statements of Western Bulk Chartering AS. These financial statements are available by request to Western Bulk Chartering AS, PB 2868 Solli, 0230 OSLO.

Note 14 - Subsequent events

Chief Executive Officer Hans Aasnes resigned from his position in February 2024 and Board member Ørjan Svanevik was announced as Interim Chief Executive Officer until a permanent CEO has been found. There are no other material events subsequent to the balance sheet date of 31.12.2023.



To the General Meeting of Western Bulk Carriers AS

RSM Norge AS

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Independent Auditor's Report

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Opinion

We have audited the financial statements of Western Bulk Carriers AS (the Company) showing a loss of NOK 10 768 132. The financial statements comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement 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 31 December 2023, 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 relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of 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 and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

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

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

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Independent Auditor's Report 2023 for Western Bulk Carriers AS

Responsibilities of Management for the Financial Statements

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. The financial statements use 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 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 Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 29 May 2024
RSM Norge AS

Cecilie Tronstad
State Authorised Public Accountant
(This document is signed electronically)

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Tronstad, Cecilie

Statsautorisert revisor

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