



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 997 580 087  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: GRIEG STAR BULK AS  
Forretningsadresse: C. Sundts gate 17/19  
5004 BERGEN

### Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

### 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: Kari T. Tepstad  
Dato for fastsettelse av årsregnskapet: 29.03.2022

### 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, 05.05.2023



### Resultatregnskap

Beløp i: USD	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Fraktinntekt		24 560 375	13 813 451
Annen inntekt	7	2 593 090	
<b>Sum inntekter</b>		<b>27 153 465</b>	<b>13 813 451</b>
<b>Kostnader</b>			
Driftskostnad skip		197 181	-45 946
TC-hyre	9	16 483 512	19 203 282
Annen driftskostnad		291 504	237 944
<b>Sum kostnader</b>		<b>16 972 197</b>	<b>19 395 280</b>
<b>Driftsresultat</b>		<b>10 181 268</b>	<b>-5 581 829</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern	2	18 404	209 746
Annen renteinntekt		6	730
Annen finansinntekt			1 487
<b>Sum finansinntekter</b>		<b>18 410</b>	<b>211 963</b>
Rentekostnad til foretak i samme konsern	2	10 712	13 677
Annen rentekostnad		100	2 835
Annen finanskostnad		12 378	5 467
<b>Sum finanskostnader</b>		<b>23 190</b>	<b>21 979</b>
<b>Netto finans</b>		<b>-4 780</b>	<b>189 984</b>
<b>Ordinært resultat før skattekostnad</b>		<b>10 176 488</b>	<b>-5 391 845</b>
<b>Ordinært resultat etter skattekostnad</b>		<b>10 176 488</b>	<b>-5 391 845</b>
<b>Årsresultat</b>		<b>10 176 488</b>	<b>-5 391 845</b>
<b>Overføringer og disponeringer</b>			
Ordinært utbytte		7 370 116	
Overføringer til/fra annen egenkapital		2 806 372	-5 391 845
<b>Sum overføringer og disponeringer</b>		<b>10 176 488</b>	<b>-5 391 845</b>



## Resultatregnskap

<b>Beløp i: USD</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
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## Balanse

Beløp i: USD	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Finansielle anleggsmidler</b>			
Investering i annet foretak i samme konsern	5	341 187	
<b>Sum finansielle anleggsmidler</b>		<b>341 187</b>	
<b>Sum anleggsmidler</b>		<b>341 187</b>	<b>0</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Andre fordringer		668 299	800 729
Konsernfordringer	2	12 520 952	2 797 109
<b>Sum fordringer</b>		<b>13 189 251</b>	<b>3 597 838</b>
<b>Sum omløpsmidler</b>		<b>13 189 251</b>	<b>3 597 838</b>
<b>SUM EIENDELER</b>		<b>13 530 438</b>	<b>3 597 838</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
100 aksjer a NOK 280 000	3,4	5 291 670	5 291 670
<b>Sum innskutt egenkapital</b>		<b>5 291 670</b>	<b>5 291 670</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	3	370 444	-2 435 929
<b>Sum opptjent egenkapital</b>		<b>370 444</b>	<b>-2 435 929</b>
<b>Sum egenkapital</b>		<b>5 662 114</b>	<b>2 855 741</b>



## Balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		34 857	37 590
Utbytte	3	7 370 116	
Kortsiktig konserngjeld	2	227 706	
Annen kortsiktig gjeld		235 645	704 507
<b>Sum kortsiktig gjeld</b>		<b>7 868 324</b>	<b>742 097</b>
<b>Sum gjeld</b>		<b>7 868 324</b>	<b>742 097</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>13 530 438</b>	<b>3 597 838</b>



To the General Meeting of Grieg Star Bulk AS

## *Independent Auditor's Report*

### *Opinion*

We have audited the financial statements of Grieg Star Bulk AS (the Company), which comprise the balance sheet as of 31 December 2021, 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 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' 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 and the Managing Director (management) are responsible for the information in the Board of Directors' report. 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.

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

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PricewaterhouseCoopers AS, Sandviksbødene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen  
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - Grieg Star Bulk AS



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 legal requirements.

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*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.

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*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>

Bergen, 29 March 2022  
**PricewaterhouseCoopers AS**

Jon Haugervåg  
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Haugervåg, Jon	BANKID_MOBILE	2022-04-07 10:03

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of the document.



Vår dato 11.03.2021	Din/Deres dato 24.02.2021	Saksbehandler Joakim Engebretsen
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon 92251412
Org.nr 974761076	Vår referanse 2021/5260823	Postadresse Postboks 9200 Grønland 0134 OSLO

GRIEG MARITIME GROUP AS  
C. Sundts gate 17  
5004 BERGEN

## Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til deres søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk på vegne av selskapene Grieg Maritime Group AS (org.nr. 826 009 292), Grieg Star Bulk Pool AS (org.nr. 925 757 179) og Grieg Edge AS (org.nr. 924 555 424).

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet 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.

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 siteres:

"Vedlagt følger kopi av tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for vårt konsern Grieg Star Group AS (endret navn til Grieg Shipholding AS), datert 15.08.2012.

Et nytt selskap er nå registrert, Grieg Maritime Group As, org nr 826 009 292, som blir det nye morselskapet i vårt konsern.

Videre er det i 2020 opprettet selskapet Grieg Star Bulk Pool AS, org. nr 925 757 179, og selskapet Grieg Edge AS, org nr 924 555 424 som datterselskaper i konsernet.

Vi søker herved om å få utarbeide årsregnskap og årsberetning på engelsk for selskapene Grieg Maritime Group AS, Grieg Star Bulk Pool AS og Grieg Edge AS, og som da tilsvarende for resten av vårt konsern."

### Skattekontorets 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 mv., 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, kunder og lokalsamfunnet.

Det er etter skattekontorets 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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det det tale om en utvidelse av tidligere gitt dispensasjon for en del av selskapene i konsernet. Denne dispensasjonen er begrunnet i at eierkretsen er begrenset, og at selskapene driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis for de tre selskapene nevnt innledningsvis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Roar Thorbjørnsen  
underdirektør  
Innsats, storbedrift  
Skatteetaten

Joakim Engebretsen

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*

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## Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 02.07.2012	Vår dato 15.08.2012
Telefon 22078139	Deres referanse Atle Nordby	Vår referanse 2012/490448

GRIEG SHIPPING GROUP AS  
Postboks 781  
5807 BERGEN

### Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 3. juli 2012 samt telefonsamtale i sakens anledning. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Grieg Star Group AS	org. nr. 991 258 965
Grieg Star Shipping AS	org. nr. 920 958 524
Grieg Star Bulk AS	org. nr. 997 580 087
Grieg Star AS	org. nr. 932 350 467
Grieg Green AS	org. nr. 995 509 601
Grieg Shipowning AS	org. nr. 982 706 645
Grieg Shipping II AS	org. nr. 822 195 482
Grieg International II AS	org. nr. 882 706 672

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

#### Bakgrunn

Grieg Star Group AS er morselskap i et underkonsern. Konsernspissen er Grieg Maturitas AS som igjen er eiet av flere aksjeselskaper. Grieg Star Group har også flere datterselskaper og avdelinger i utlandet. Grieg Star Group driver sin virksomhet innenfor internasjonal industriell shipping. Gruppen har 25 egne skip, men benytter i tillegg innleid tonnasje slik at det i snitt er cirka 40 skip som er i aktivitet. Det vesentlige av virksomheten foregår i utlandet. Majoriteten av de ansatte er også utenlandske. Shipping er en internasjonal bransje og skipene opererer rundt i hele verden og har internasjonale motparter for de ulike reiser som utføres. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Det interne arbeidsspråket i selskapene er også engelsk og all intern rapportering skjer på dette språket. 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.”

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse Se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a> Org. nr: 996250318	Sentralbord 800 80 000 Telefaks 22 17 08 60
For elektronisk henvendelse se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a>		



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, 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 særlig vekt på at eierkretsen er begrenset og hovedaksjonærene er aksjeselskaper. Selskapene inngår i et underkonsern. Konsernets arbeidsspråk er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Rune Tystad  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

  
Torstein Kinden Helleland



## BOARD OF DIRECTORS' REPORT 2021 GRIEG STAR BULK AS

### The Business

Grieg Star Bulk (the "Company") is part of the consolidated group of shipping activities controlled by Grieg Shipholding AS ("Grieg Shipholding" or "the Group"). Per year end 2021, Grieg Star Bulk AS controlled a fleet of three ultramax vessels chartered in on long term time-charter ("TC").

The Company has its office in Bergen and has no employees. The Board of Directors consists of six members, three women and three men. The Company has in 2021 purchased a range of services from Grieg Maritime Group (the shareholder of Grieg Shipholding) within strategy, administration, IT, accounting, finance, legal and business development. The services are regulated under management agreements.

The vessels are marketed and operated by the Grieg Shipholding and Gearbulk jointly controlled G2 Ocean, which was put into operation in 2017. G2 Ocean is a global and customer oriented worldwide dry bulk shipping company, operating a fleet of about 125 vessels, in one open hatch and one dry bulk pool.

### Annual Accounts

While Covid-19 continues to hamper and challenge daily operations, the world's return to a more normal, together with the effects from pent up demand, brought strong market earnings in 2021. The Company's operating revenues consist primarily of freight income and was USD 27.2m in 2021 (USD 13.8m), despite a somewhat lower activity level as one of the vessels on charter was purchased and resold during the year.

Total operating costs decreased to USD 17.0m (USD 19.4m) due to less vessel days, which also is reflected in TC hire costs which was reduced to USD 16.5m in 2021 (USD 19.2m). With higher revenues and lower operating costs, the Company's operating profit increased to USD 10.2m in 2021 (USD -5.6m).

Net financial items were minus USD 4,780 in 2021 (USD -0.2m). Altogether, this resulted in a pre-tax result of USD 10.2m in 2021 (USD -5.4m).

The Company's book equity was USD 5.7m per year end 2021 (USD 2.9m) implying an equity ratio of 52% (81%). By end 2021, the Company had total assets of USD 13.5m (USD 3.6m), with current assets accounting for USD 13.2m (USD 3.6m). The Company has no long-term debt. Liquidity on the balance sheet date in the form of bank deposits and cash at hand was USD 12.5m including the Company's share of aggregated cash balance in the Group's cash pool agreement<sup>1</sup>.

Based on net cash flows from operations of USD 7.2m (USD -4.7m), USD 2.3m (zero) in cash flow from investments and a net cash flow of USD 1.8m (USD 5.8m) from financing activities, the Company's net change in liquid funds in 2020 was USD 11.3m (USD 1.0m).

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<sup>1</sup> The Company has recorded this as a receivable in its accounts. Grieg Shipholding AS is the main holder of the cash pool.



## External Environment

Transporting about 90% of world trade, shipping is statistically the least environmentally damaging mode of transport when taking productivity into the equation. Still, its emissions of greenhouse gases (GHG) constitute about 2.5% of global emissions. In addition to compliance with the requirements of the International Maritime Organisation, the Group intends to reduce GHG emissions per transported unit by minimum 40% by 2030 from 2008 levels. The ambition is to be net zero by 2050.

## Sustainability

Grieg Maritime Group is committed to the ten principles of the UN Global Compact, is a member of the UNGC Action Platform for Sustainable Ocean Business and has for several years worked with the UN's Sustainable Development Goals ("SDGs"). For reporting on progress, the Group primarily adheres to the Norwegian Shipowners Association's guidelines on sustainability reporting but applies also other measures to reflect the wider scope of the Group's business activities and to report on progress towards selected SDGs. Seven SDGs are targeted as material to Grieg Maritime Group's activities: "4. Quality Education", "5. Gender Equality", "9. Industry, Innovation and Infrastructure", "12. Responsible Consumption and Production", "13. Climate Action", "14. Life Below Water" and "15. Life on Land". These form the basis for the overall strategy and its objectives, all having accompanying KPIs at business unit level, being the foundation for daily operations, development initiatives and investments.

The businesses in Grieg Maritime Group are not subject to the reporting regulations coming into force as part of the EU taxonomy. There, are however, strong expectations that one will be indirectly affected through its stakeholders' reporting requirements.

## Enterprise Risk and Compliance

Grieg Star Bulk AS is exposed to financial and market risks. This is mainly composed by risks related to the development of freight rates and currency rates. The Company's operation is to a large extent exposed to the general spot market as G2 Ocean holds limited dry bulk cargo or period contracts. Currency risk is mainly related to the purchase of administrative services in Norway and local taxes. The Company has defined strategies and policies that reduce the currency risks.

Counter party and credit risk as well as sanctions regulations are part of the daily business with corresponding routines and systems for control. The Maritime Anti-Corruption Network membership is one of the tools used to fight and report corruption and facilitation payments actively. Insurance is taken out for the members of the Board and the General Manager for their personal liability for property damage that they may incur in connection with the performance of their duties. The insurance is taken out with an international insurance company with a solid rating.

With the improved financial results, proceed from sale of vessel and an improved market forecast, Grieg Star Bulk AS' liquidity risk has been significantly reduced during the last 12 months.

## The Market and Outlook

The recovery in global seaborne trade that starting late 2020 continued throughout 2021, with cargo volumes reaching pre-Covid-19 levels by mid-2021, and dry bulk trade growing 4% in 2021 year-on-year. The minor bulk trade played a key role in the rebound driven by strong demand for commodities as forest products, aluminum steel and minerals. When the dry bulk fleet grew with 3.6% only, this resulted in a significant increase in dry bulk freight rates and asset values, amongst



others creating opportunities to secure profit on the Company's bulk exposure. With a projected growth in seaborne trade of 2.2% in 2022 and fleet growth of 1.6%, rates are expected to continue to stay strong also in 2022.

As the supply-demand balances remain tight in the near term, Grieg Maritime Group in summary believes in a robust shipping market in 2022, with minor bulk continuing to play a key role in trade growth and the dry bulk charter market remaining high.

### Going Concern

The Board of Directors confirms that the annual accounts have been prepared based on the going concern assumption and that this assumption is valid. The consideration is based on the Company's financial position and expectations of future earnings.

The Board of Directors believes that the submitted annual accounts give a correct picture of Grieg Star Bulk AS' assets and liabilities as well as its financial position and results. No material events that affect the financial position have taken place after the balance sheet date. However, the invasion of Ukraine and subsequent sanctions towards Russia is likely to affect our operations. In addition to witnessing the unfolding of a human catastrophe, the outlook on world economics and safety has become more uncertain.

Bergen, 29 March 2022

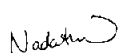
The Board of Directors of Grieg Star Bulk AS

  
Elisabeth Grieg  
Board Member

  
Camilla Grieg  
Chair

  
Didrik O. Munch  
Board Member

  
Kai Grøtterud  
Board Member

  
Nada Ahmed  
Board Member

  
Rune Birkeland  
Board Member

  
Matthew Robert Cagienard Duke  
CEO

**GRIEG STAR BULK AS**

## INCOME STATEMENT

	Note	2021	2020
<b>Revenues</b>			
Operating revenue		24,560,375	13,813,451
Other income	7	2,593,090	0
Total revenues		<u>27,153,465</u>	<u>13,813,451</u>
<b>Operating expenses</b>			
Vessel operating expenses		197,181	-45,946
TC hire	9	16,483,512	19,203,282
Other operating expenses		291,504	237,944
Total operating expenses		<u>16,972,197</u>	<u>19,395,280</u>
Operating profit		<u>10,181,268</u>	<u>-5,581,829</u>
<b>Financial items</b>			
Interest income		6	730
Interest income group	2	18,404	209,746
Interest expenses		100	2,835
Interest expenses group	2	10,712	13,677
Other financial expenses		7,490	5,467
Gain/loss on foreign exchange		4,887	-1,487
Net financial items		<u>-4,780</u>	<u>189,984</u>
Profit before tax		<u>10,176,488</u>	<u>-5,391,845</u>
Profit for the year		<u>10,176,488</u>	<u>-5,391,845</u>
<b>Allocation of profit/(loss)</b>			
Avsatt til utbytte		7,370,116	0
Transferred to (from) other equity		2,806,372	-5,391,845
Total allocated		<u>10,176,488</u>	<u>-5,391,845</u>



GRIEG STAR BULK AS  
BALANCE SHEET AS OF 31.12

ASSETS	Note	2021	2020
<b>FIXED ASSETS</b>			
<b>Intangible assets</b>			
<b>Property, plant and equipment</b>			
<b>Fixed financial assets</b>			
Investments in other group companies	5	341,187	0
Total fixed financial assets		<u>341,187</u>	<u>0</u>
Total non-current assets		<u>341,187</u>	<u>0</u>
<b>CURRENT ASSETS</b>			
Receivables, group companies	2	12,520,952	2,797,109
Other short-term receivables		668,299	800,729
Total receivables		<u>13,189,251</u>	<u>3,597,838</u>
Total current assets		<u>13,189,251</u>	<u>3,597,838</u>
TOTAL ASSETS		<u>13,530,438</u>	<u>3,597,838</u>

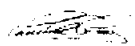


GRIEG STAR BULK AS  
BALANCE SHEET AS OF 31.12

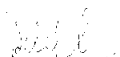
<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>EQUITY</b>			
Paid-in capital			
Share capital (100 shares à NOK 280 000)	3, 4	5,291,670	5,291,670
Total paid-up equity		<u>5,291,670</u>	<u>5,291,670</u>
<b>Other equity</b>			
Other equity	3	370,443	-2,435,929
Total other equity		<u>370,443</u>	<u>-2,435,929</u>
Total equity		<u>5,662,114</u>	<u>2,855,741</u>
<b>LIABILITIES</b>			
<b>Long-term debt</b>			
<b>Current liabilities</b>			
Liabilities to group companies	2	227,706	0
Accounts payable		34,857	37,590
Dividends	3	7,370,116	0
Other short-term liabilities		235,645	704,507
Total current liabilities		<u>7,868,324</u>	<u>742,097</u>
Total liabilities		<u>7,868,324</u>	<u>742,097</u>
TOTAL EQUITY AND LIABILITIES		<u>13,530,438</u>	<u>3,597,838</u>

Bergen, 29.03.2022

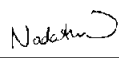
The Board of Directors of Grieg Star Bulk AS

  
Camilla Marianne Grieg  
CEO/ Board member

  
Elisabeth Grieg  
Chair

  
Didrik Oskar Munch  
Board member

  
Rune Birkeland  
Board member

  
Nada Ahmed  
Board member

  
Kai Grøtterud  
Board member

  
Matthew R. C. Duke  
general Manager



## Cash flow statement Grieg Star Bulk AS

	USD 2021	USD 2020
<b>Cash flow from operations</b>		
Profit before income taxes	10 176 488	-5 391 845
Change in tonnage tax provision, classified as operating expenses	47 783	-58 004
Gain from sale of fixed assets	-2 593 090	-
Depreciation	-	-
Change in inventory	-	-
Change in trade debtors	12 918	39 434
Change in trade creditors	-2 733	37 590
Change in other provisions	-397 133	635 747
<b>Net cash flow from operations</b>	<b>7 244 233</b>	<b>-4 737 079</b>
<b>Cash flow from investments</b>		
Purchase of shares in other group companies	-341 187	-
Purchase of fixed assets	-19 354 115	-
Proceeds from sale of fixed assets	21 947 205	-
<b>Net cash flow from investments</b>	<b>2 251 903</b>	<b>-</b>
<b>Cash flow from financing</b>		
Proceeds intercompany	1 825 961	5 774 756
<b>Net cash flow from financing</b>	<b>1 825 961</b>	<b>5 774 756</b>
<b>Net change in cash and cash equivalents</b>	<b>11 322 097</b>	<b>1 037 677</b>
Cash and cash equivalents at the beginning of the period	1 201 044	163 367
<b>Cash and cash equivalents at the end of the period</b>	<b>12 523 141</b>	<b>1 201 044</b>
<b>Cash and cash equivalents at the end of the period consists of:</b>		
Bank deposits	-	-
Bank deposits within Grieg Shipholding Group cash pool agreement	12 523 141	1 201 044



Grieg Star Bulk AS  
Notes of the annual financial statement 2021

## Note 1 - Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

### Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described.

### Operating revenues

Operating revenues are recognised as income at the time of delivery.

### Classification and valuation of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

### Purchase cost

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

For fixed assets and intangible assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the assets.

### Intangible assets

The cost of intangible assets is posted in the balance sheet if it is considered likely that the future economic benefits related to the assets will accrue to the company and a reliable measurement of the historical cost of the asset in question has been established.

### Operating leases

The company differentiates between financial leasing and operational leasing based on an evaluation of the lease contract at the time of inception. A lease contract is classified as a financial lease when the terms of the lease transfer substantially all the risk and reward of ownership to the lessee. All other leases are classified as operational leases. When a lease contract is classified as a financial lease where the company is the lessee, the rights and obligations relating to the leasing contracts are recognised in the balance sheet as assets and liabilities. The interest element in the lease payment is included in the interest costs and the capital amount of the lease payment is recorded as repayment of debt. The lease liability is the remaining part of the principal. For operational leases, the rental amount is recorded as an ordinary operating cost.

### Asset impairments

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The company's bulk operation consisted of chartered vessels market and operated in a drybulk supramax/ultramax pool by G2 Ocean AS. Having the vessels sailing in a pool means that the operational use of the vessels, including optimisation of routes, is combined for the fleet. Earnings of each individual vessel is therefore affected by the earnings of other vessels in the pool. Thus the company's fleet considered to be the cash generating unit.

### Foreign currency

The functional and presentation currency is USD. Almost all freight income, operating expenses, bank deposits, receivables and accounts payable are denominated in USD. USD is therefore the functional currency and the presentation currency. Monetary items, receivables and liabilities in the balance sheet denominated in other than USD are recorded at 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 as operating expenses in the profit and loss statement. The following exchange rates have been used as of 31.12.2021: USD/NOK 8.8194



Grieg Star Bulk AS  
Notes of the annual financial statement 2021

## Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carry forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

The company was subject to the taxation regime for shipowning companies until 2018.

## Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

## Group account cash pool agreement

The company is a part of a Group account cash pool agreement within the Grieg Shipholding AS. Grieg Shipholding AS is the Group Account Holder. Under this agreement, all participating companies are jointly liable for the overdraft facility and other participant's overdraft. Net aggregated cash balance on the group account is recognised as cash in the balance sheet statement of Grieg Shipholding AS as Group Account Holder. Participating companies share of aggregated cash balance are recognised as intercompany balances in each participating company's balance sheet.

## Note 2 - Intercompany balances and transactions with related parties

Figures in USD 1 000

### Transactions with related parties

G2 Ocean AS is operating the vessels in a bulk pool on behalf of Grieg Star Bulk AS. The shipping pool result is distributed to the company based on a distribution key.

Grieg Star Bulk AS is administratively and financially managed by Grieg Shipholding AS, and from 01.04.21 by Grieg Maritime Group AS, and pays annual management fee for such services. In addition, the company purchases services from Grieg Star AS related to following up various fleet operational and development matters.

Company	Relation	Type of services	2021	2020
Grieg Shipholding AS	Parent company	Interest income	18	210
Grieg Shipholding AS	Parent company	Interest expense	-11	-14
Grieg Shipholding AS	Parent company	Management	57	117
Grieg Star AS	Group company	Ship management	112	100
Grieg Maritime Group AS	Parent company	Management	92	0

### Balances with group companies and related parties:

Other short-term receivables	2021	2020
Grieg Shipholding AS *) Parent company	12,523	2,219
Grieg Star Bulk Pool AS Group company	-2	578
<b>Total other short-term receivables</b>	<b>12,521</b>	<b>2,797</b>

\*) USD 15.523' of the receivable from Grieg Shipholding AS is related to the group account cash pool agreement.

Other short-term liabilities	2021	2020
Grieg Star AS Group company	34	0
Grieg Star Bulk Pool AS Group company	194	0
<b>Total other short-term liabilities</b>	<b>228</b>	<b>0</b>



Grieg Star Bulk AS  
Notes of the annual financial statement 2021

## Note 3 - Equity

Figures in USD 1000

Changes in equity	Share capital	Other paid-in equity	Other equity	Total equity
Equity at 01.01.	5,292	58,514	-60,950	2,855
Dividend	0		-7,370	-7,370
Profit for the year	0	0	10,176	10,176
<b>Egenkapital 31.12.</b>	<b>5,292</b>	<b>58,514</b>	<b>-58,144</b>	<b>5,662</b>

## Note 4 - Share capital and shareholder information

The parent company, Grieg Shipholding AS has its registered office in Bergen (C. Sundtsgate 17/19), where the consolidated financial statements are available.

The share capital consists of:	Number of shares	Nominal value	Total share capital
Ordinary shares (In NOK)	100	330,000	33,000,000

Shareholder:	Number of shares	Ownership/ voting rights
Grieg Shipholding AS	100	100%

## Note 5 - Investment in shares

Figures in USD 1000

Group company	Registered office	Ownership	Book value
Grieg Shipping III AS	Bergen	3%	341



Grieg Star Bulk AS  
Notes of the annual financial statement 2021

## Note 6 - Tax

Figures in Usd 1 000

Tax charge and tax payable in the accounts

	2021	2020
Temporary differences		
Net temporary differences	1,628	-310
Tax losses carried forward	-11,070	-20,557
Basis for deferred tax/(deferred tax assets)	-9,442	-20,867
Deferred tax/(deferred tax assets) in the balance sheet	-2,077	-4,591
Deferred tax assets not recognised in the balance sheet	2,077	4,591
Basis for taxation, change in deferred tax and tax payable		
Profit before tax	10,176	-5,392
Permanent differences	1,249	-798
Basis of tax charge for the year	11,425	-6,190
Change tax losses carried forward	-9,487	6,190
Change in temporary differences	-1,938	310
<b>Taxable income (basis for tax payable in the balance sheet)</b>	<b>0</b>	<b>0</b>

Tax expense consists of

Profit before tax	10,404	-5,392
22% calculated tax	2,289	-1,186
Tax expense profit and loss	0	0
Difference	2,289	1,186

The difference consist of:

22% permanent differences	275	-176
Other differences	2,064	1,362
Explained difference	<b>2,339</b>	<b>1,186</b>

The company left the tonnage tax regime in 2019. Unrealized currency losses that were not tax-deductible in 2018 given the restrictions under the tonnage tax regime, was claimed to be tax deductible in 2019 when the company became subject to ordinary taxation. The tax authorities has notified that the deduction of unrealized currency losses will be reversed by NOK 69 875 810 which will reduce tax losses carry forward from NOK 96 728 464 to NOK 26 852 654.

The company has challenged the tax authorities' position. A final conclusion from the tax authorities is expected to be received during 2021.

## Note 7 - Other income

The time charter vessel MV Star Pathfinder was sold in 2021 with a profit of USD 2.6m

## Note 8 - Payroll and administrative expenses

Figures in USD 1 000

The company has no employees and is managed by other group companies.

No fees, loans or guarantees have been granted to the CEO or members of the Board.

Auditor's fee	2021	2020
Statutory audit (incl. technical assistance with financial statements)	10	8
Technical assistance tax reporting	10	10
<b>Total fees to auditor, excl VAT</b>	<b>19</b>	<b>17</b>



Grieg Star Bulk AS  
Notes of the annual financial statement 2021

## Note 9 - Operating lease agreements

The company has three vessels under operating lease (time charter) agreements.

Annual lease	USD 16.5m
Duration	5.2 years

## Note 10 - Financial risk management

Figures in USD 1 000

### Hedging of foreign exchange

The company hedges, from time to time, expenditures in currencies other than USD through forward contracts. At 31.12.21 the company had not entered into hedging through the use of currency swaps.

## Note 11 - Events after the balance sheet day

No material events that affect the financial position have taken place after the balance sheet date. However, the invasion of Ukraine and subsequent sanctions towards Russia is likely to affect the operations. While there could be some positive effects on earnings, the costs of operating due to price increases as well as coping with cyber risk and sanctions risks are expected to increase. As a Norwegian shipping business, and being member of the Norwegian Shipowners' Association, the company has access to a strong and qualified network coordinating and advising on several of these issues.