



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 882 706 672
Organisasjonsform: Aksjeselskap
Foretaksnavn: GRIEG INTERNATIONAL II AS
Forretningsadresse: Bryggegata 6
0250 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: Kari T. Tepstad
Dato for fastsettelse av årsregnskapet: 20.03.2024

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, 13.05.2025



Resultatregnskap

| Beløp i: USD | Note | 2023 | 2022 |
|--|------|-------------------|-------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Salgsinntekt | | 45 836 648 | 63 830 735 |
| Sum inntekter | | 45 836 648 | 63 830 735 |
| Kostnader | | | |
| Driftskostnader skip | 4 | 21 591 822 | 18 447 874 |
| Avskrivning på varige driftsmidler og immaterielle eiendeler | 4 | 10 531 402 | 9 774 688 |
| Annen driftskostnad | 3 | 1 235 784 | 1 516 434 |
| Sum kostnader | | 33 359 008 | 29 738 996 |
| Driftsresultat | | 12 477 640 | 34 091 739 |
| Finansinntekter og finanskostnader | | | |
| Renteinntekt fra foretak i samme konsern | 2 | 326 687 | 230 537 |
| Annen renteinntekt | | 897 357 | 326 818 |
| Annen finansinntekt | | 205 319 | 84 189 |
| Verdiøkning andre finansielle instrumenter vurdert til virkelig verdi | 5 | 1 064 927 | |
| Sum finansinntekter | | 2 494 290 | 641 544 |
| Verdireduksjon andre finansielle instrumenter vurdert til virkelig verdi | 5 | | 905 079 |
| Rentekostnad til foretak i samme konsern | 2 | 129 838 | 1 466 731 |
| Annen rentekostnad | | 3 198 608 | 4 141 753 |
| Annen finanskostnad | | 84 304 | 21 075 |
| Sum finanskostnader | | 3 412 750 | 6 534 638 |
| Netto finans | | -918 460 | -5 893 094 |
| Ordinært resultat før skattekostnad | | 11 559 180 | 28 198 645 |
| Skattekostnad på ordinært resultat | 6 | -1 757 | -8 346 |
| Ordinært resultat etter skattekostnad | | 11 560 937 | 28 206 991 |
| Årsresultat | | 11 560 937 | 28 206 991 |



Resultatregnskap

| Beløp i: USD | Note | 2023 | 2022 |
|--|-------------|-------------------|-------------------|
| Overføringer og disponeringer | | | |
| Ordinært utbytte | | | 20 000 000 |
| Overføringer til/fra annen egenkapital | | 11 560 937 | 8 206 991 |
| Sum overføringer og disponeringer | | 11 560 937 | 28 206 991 |



Balanse

| Beløp i: USD | Note | 2023 | 2022 |
|--|------|--------------------|--------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Varige driftsmidler | | | |
| Skip, rigger, fly og lignende | 4 | 160 134 453 | 156 871 417 |
| Sum varige driftsmidler | | 160 134 453 | 156 871 417 |
| Sum anleggsmidler | | 160 134 453 | 156 871 417 |
| Omløpsmidler | | | |
| Varer | | | |
| Varer | | 1 128 129 | 992 768 |
| Sum varer | | 1 128 129 | 992 768 |
| Fordringer | | | |
| Kundefordringer | | 25 488 | 61 835 |
| Andre fordringer | | 670 124 | 1 593 859 |
| Konsernfordringer | 2 | 3 065 526 | 29 973 392 |
| Sum fordringer | | 3 761 138 | 31 629 086 |
| Investeringer | | | |
| Andre markedsbaserte finansielle instrumenter | 586 | 15 666 166 | 9 643 211 |
| Sum investeringer | | 15 666 166 | 9 643 211 |
| Bankinnskudd, kontanter og lignende | | | |
| Bankinnskudd, kontanter og lignende | 2 | 252 597 | 31 593 |
| Sum bankinnskudd, kontanter og lignende | | 252 597 | 31 593 |
| Sum omløpsmidler | | 20 808 030 | 42 296 658 |
| SUM EIENDELER | | 180 942 483 | 199 168 075 |

BALANSE - EGENKAPITAL OG GJELD



Balanse

| Beløp i: USD | Note | 2023 | 2022 |
|--|------|--------------------|--------------------|
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| 4805 130 aksjer a NOK 1,15 | 9,10 | 985 999 | 985 999 |
| Overkurs | | 34 528 747 | 34 528 747 |
| Annen innskutt egenkapital | | 62 947 442 | 62 947 442 |
| Sum innskutt egenkapital | | 98 462 188 | 98 462 188 |
| Opptjent egenkapital | | | |
| Annen egenkapital | 9 | 33 281 032 | 9 453 347 |
| Sum opptjent egenkapital | | 33 281 032 | 9 453 347 |
| Sum egenkapital | | 131 743 220 | 107 915 535 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Utsatt skatt | 6 | 43 982 | 56 734 |
| Sum avsetninger for forpliktelser | | 43 982 | 56 734 |
| Annen langsiktig gjeld | | | |
| Øvrig langsiktig gjeld | 11 | 46 763 889 | 67 218 804 |
| Sum annen langsiktig gjeld | | 46 763 889 | 67 218 804 |
| Sum langsiktig gjeld | | 46 807 871 | 67 275 538 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | | 832 717 | 1 084 146 |
| Betalbar skatt | 6 | 92 012 | 76 768 |
| Utbytte | | | 20 000 000 |
| Kortsiktig konserngjeld | 2 | 437 571 | 2 373 278 |
| Annen kortsiktig gjeld | | 1 029 092 | 442 810 |
| Sum kortsiktig gjeld | | 2 391 392 | 23 977 002 |
| Sum gjeld | | 49 199 263 | 91 252 540 |
| SUM EGENKAPITAL OG GJELD | | 180 942 483 | 199 168 075 |



To the General Meeting of Grieg International II AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Grieg International II AS (the Company), which 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 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.

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.

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

PricewaterhouseCoopers AS, Sandviksbodene 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



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/revisionsberetninger>

Bergen, 20 March 2024
PricewaterhouseCoopers AS

Hallvard Aarø
State Authorised Public Accountant
(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

| Name | Method | Date |
|----------------|---------------|------------------|
| Aarø, Hallvard | BANKID | 2024-04-11 15:52 |

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The seal is a guarantee for the authenticity
of the document.



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 www.skatteetaten.no Org. nr: 996250318 | Sentralbord 800 80 000 Telefaks 22 17 08 60 |
| For elektronisk henvendelse se www.skatteetaten.no | | |



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 2023 GRIEG INTERNATIONAL II AS

The Business

Grieg International II AS (the "Company") is a ship owning company and is part of the consolidated group of shipping activities controlled by Grieg Shipholding AS ("Grieg Shipholding" or "the Group"). Per year end 2023, Grieg International II AS controlled a fleet of 7 Open Hatch vessels of which five are owned by the Company and two on long term finance leases.

The Company has its office in Oslo and is organized under the Norwegian tonnage tax system and has no employees. The Board of Directors consists of seven members, three women and four men. The Company has in 2023 purchased a range of services from Grieg Maritime Group (the shareholder of Grieg Shipholding) within strategy, communications, administration, IT, accounting, finance, legal and business development. Another group company, Grieg Star AS, is responsible for the ship management of the of the Company's fleet. The services are regulated under management agreements.

The vessels are marketed and operated by the Grieg Shipholding and Gearbulk jointly controlled company, G2 Ocean, the world's largest Open Hatch shipping company. The G2 Ocean Open Hatch pool consists of more than 100 vessels operating in a worldwide trading pattern built around long-term cargo contracts with pulp and paper producers as well as transport of steel and project cargoes. The operation's success criteria are the ability to establish optimal sailing patterns, combining various types of cargo coupled with efficient port operations.

Annual Accounts

Overall, 2023 was a good year. Financially, the Company experienced shipping freight markets returning to more normalized, but sustainable earnings levels, although operating costs continued to climb, both as an effect of inflation pressure and the need to upgrade some vessels in the fleet. Activity-wise and to rig for the future, 2023 will stand out in our history, as the Group contracted four ammonia-ready 82,300 dwt. vessels able to trade with zero emissions, with delivery 2026.

The Company's operating revenues consist primarily of freight income, and this is accounted for as time charter hire. Total revenues decreased to USD 45.8m in 2023 (USD 63.8m). The primary reason for this was a reduction in freight earnings which reverted to more normal levels after a record high 2022, which benefited from supply-demand imbalances related to pent-up demand after covid-19, logistic inefficiencies, and the war in Ukraine.

Total operating costs before depreciations and write-downs increased to USD 22.9m (USD 20.0m). The vessels' operating expenses increased to USD 21.6m (USD 18.4m) mainly due to some vessels needing technical repairs and upgrading after being brought back on internal ship management coupled with incidents requiring vessel repairs. In addition, costs related to food provision onboard increased in 2023 given inflation as well as higher insurance costs. On a positive note was improved safety performance and high efficiency at dry dockings. Docking costs itself increased in line with vessels being docked were 5 years older than at their previous special survey. With this Company EBITDA decreased to USD 23.0m in 2023 (USD 43.9m). Depreciation costs increased to USD 10.5m (USD 9.8m) which was due to the installation of Ballast Water Treatment Systems on vessels being dry docked. There were no impairments or reversal of impairment in the 2023 accounts. Thus Grieg International II AS' operating profit decreased to USD 12.5m for 2023 (USD 34.1m).



Net financial items were minus USD 0.9m in 2023 (USD 5.9m). Despite increasing Libor/SOFR rates, interest expenses decreased to USD 3.3m (USD 5.6m) due to lower outstanding loan balances and favorable interest rate hedges. In addition, an improved return on the Group's excess liquidity of USD 2.2m (USD - 0.5m) had a positive impact on net finance costs. Altogether, the Company ended up with a pre-tax result of USD 11.6m for 2023 (USD 28.2m).

Long-term interest-bearing debt decreased to USD 46.8m (USD 67.2m) due to debt repayments. 1 (1) vessel in the fleet is debt free. The Company's book equity was USD 131.7m at year end (USD 107.9m), and the Company had total assets of USD 180.9m (USD 199.2m), implying an equity ratio of 73% (54%). Current assets accounted for USD 20.8m (USD 42.3m) while liquidity on the balance sheet date in the form of bank deposits and cash was USD 18.8m including the Company's share of aggregated cash balance in cash pool agreement the Company is part of¹.

Based on net cash flows from operations of USD 22.8m (USD 43.0m), cash flow from investments of USD 25.1 (USD - 35.8m) and net cash flow of minus USD 47.7 (USD - 8.7m) from financing activities, the Company's net change in liquid funds in 2023 was USD 219k (USD 28.7m).

External Environment

Seaborne transportation accounts for approximately 90% of global trade and contributes to nearly 3% of total greenhouse gas (GHG) emissions worldwide. As an industry the Group is steadfast in its commitment to mitigate this impact. In alignment with the International Maritime Organization's (IMO) directive, Grieg Maritime Group have embraced the Norwegian Shipowner Association's ambitious targets, and our aim is to reduce GHG emissions per transported unit by minimum 50% by 2030 from 2008 levels, ultimately achieving carbon neutrality by 2050. The 2030 target is also confirmed in the Group's bank loans which are sustainability linked. Achieving these objectives necessitates a collaborative effort to establish a robust value chain that supports the adoption of low and zero emission fuels well before the 2030 deadline.

Throughout 2023, we have proactively implemented a series of efficiency measures and conducting trials of emerging technologies for the Company's vessels. Noteworthy among these initiatives is the commencement of testing for a groundbreaking fuel catalyzation technology aimed at enhancing fuel performance. Additionally, we have launched a pilot project to evaluate the efficacy of a graphene-based anti-fouling coating system. Beyond improving emission performance, this innovative solution has the potential to minimize paint usage and significantly reduce the release of biocides and microparticles into the marine ecosystem. Furthermore, we are actively supporting the development of an AI-driven model designed to optimize speed and fuel consumption across our fleet.

The implementation of emission reducing initiatives is also evidenced by the ordering of the ammonia ready Open Hatch vessels, which we expect will run on ammonia or other emission free fuel when sufficient fuel infrastructure and supply is available.

There were no (0) harmful spills to sea or land from any of the vessels in 2023, and none of the Company's vessels were involved in serious accidents like grounding, collision, or salvage. Ballast water treatment plants were installed on all ships by the end of 2023, and all vessels in the fleet have obtained their IHM.

The quantity of plastic waste generated onboard the vessels increased in 2023 compared to the previous year. Still, more than 80% of the plastic waste was delivered to shore facilities with a responsible waste handling and recycling capacity. The focus on sustainable plastic waste management will continue in 2024.

¹ The Company has recorded this as a receivable in its accounts. Grieg Shipowning AS is the main holder of the cash pool.



Sustainability

Grieg Maritime Group has been dedicated to sustainability for decades, long time before any formalized processes or clear stakeholder expectations existed, by just believing in a common responsibility to build a better world. Over the last couple of years this work has been structured around the commitment to the UN Sustainable Development Goals (SDGs)², the annual reporting of progress on Environmental, Social and Governance (ESG) metrics that are considered material for our industry³, and not least continuously reviewing the overriding Group strategy - Creating maritime solutions for a better future, as guidance for setting clear sustainability objectives for daily operations, development initiatives and investments.

With the EU Corporate Social Reporting Directive (CSRD) we are now also directing our work to progress on sustainability based on how to report according to the upcoming European Sustainability Reporting Standards (ESRS), by which we plan to report on for Grieg Maritime Group from 2024, one year ahead of deadline. This implies that we have completed a first Double Materiality Assessment and a Climate Risks Assessment as well as worked on improving the reporting on Scope 3 emissions. By allowing to use time and involving a large part of the organization we experience that we are not just working on a new reporting scheme but through the assessments and target setting also find ourselves discussing material aspects of our business that we may not otherwise had approached.

For information about sustainability including reporting under the Transparency Act, please see Grieg Maritime Group's Annual Report.

Enterprise Risk and Compliance

Grieg International II AS is exposed to financial and market risks. This is mainly composed of risks related to the development of freight rates, ship values, currency, and interest rates as well as equity prices. Most of these risks are strongly correlated to macro-economic development. The fleet's earnings are largely linked to long-term cargo contracts as the Company's shipping activity is of an industrial character. This implies that revenues are less volatile than in the spot market and that changing market conditions generally have a delayed effect on the results. Currency risk is mainly related to the purchase of administrative services in Norway, local taxes, as well as some purchases related to the technical management of the fleet. The Company has defined strategies and policies that reduce currency risks.

Changing equity prices and interest rates affect the Company's financial investments and loans. The financial portfolio is managed under a long-term strategy reflecting Grieg Maritime Group's business principles and risk capacity to ensure that the portfolio can withstand market fluctuations. During 2023 we chose to reduce the portfolio's exposure to equities as a response to increased investment plans for the Group in the coming years. There are policies in place to reduce interest rate risk related to the fleet's funding arrangements.

Environmental spills and violations are risks always prevailing for shipping operations. Drills are carried out regularly to ensure that the team is prepared for handling various incidents, and whenever an incident occurs, an Emergency Preparedness Team convenes.

² Seven SDGs are targeted as material: 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.

³ To report on progress we have previously followed the ESG reporting recommendations from the Norwegian Ship Owners Association, and with reference to the Integrated Reporting Framework and the Global Reporting Initiative (GRI). From 2023 we are expanding this to also include a large share of the reporting requirements of EU's CSRD and ESRS.



Risk areas that have been subject to particular focus in 2023, is human rights - as part of the Group's reporting under the Norwegian Transparency Act and third-party activities in relation to anti-money-laundering, anti-bribery and corruption, and sanctions. To control these risks better we are implementing a digital screening tool to assist us in assessing human rights risk in our supply chain.

As the war in Ukraine has continued and the Israel Hamas conflict has evolved, the safety of the seafarers on board our vessels have naturally also been high on the agenda. Thankfully, there were no security-related incidents for the fleet in 2023. None of our vessels traded in the most exposed areas like the Gulf of Guinea. And with the escalated tension in the Red Sea/Gulf of Aden, Grieg Maritime Group is choosing not to sail any of its vessels through the area, which also is in line with the Norwegian Shipowners' Association's recommendation.

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.

The good 2023 financial result and reduced debt level supports a reduced financial risk level for.

For more insight into our risks and handling of such, please see the separate section in Grieg Maritime Group's Annual Report on Managing Business Risk.

The Market and Outlook

Seaborne trade volume growth is expected to remain stable in 2024 with an estimated growth of 2.5% vs. a growth of approx. 2.4% in 2023. This is in line with the International Monetary Fund's forecast of global GDP growth of 2.9% in 2024, which is only marginally lower than the 3.0% growth recorded for 2023. Looking specifically at China as one of the most important drivers in the shipping market, GDP growth in 2024 is estimated at 4.2%, down from 5% in 2023. The Chinese economy appears to face headwinds going forward with its real estate sector experiencing a continued drop in project starts during 2023 and household savings rates remaining significantly higher than pre-covid levels. These factors indicate a softer 2024 and are further amplified by an estimated dry bulk demand growth (measured by ton-miles) of 2% compared to an estimated fleet growth of 3.5%.

In light of a relatively muted demand outlook, the supply side appears to be the key for shipping for 2024. The orderbook in the dry bulk sector remains close to all-time lows which, combined with limited shipyard capacity through 2026, effectively limits fleet growth for the coming years. Tighter environmental regulations are also expected to play an important role, as vessels taken out of service either for upgrades, retrofits, or recycling, will limit availability of tonnage. There is, however, a downside risk especially related to the container market orderbook, with cargo-carrying capacity forecasted to increase by 10% in 2024 (and 6% in 2025). Still, as the core trades in the G2 Ocean Open Hatch Pool continue to have a substantial share of forward cargo contracts at acceptable market levels, the Group is considered to have a strong position for the coming year with less effects of a downside scenario. The new 82,300 dwt open hatch bulk carriers with delivery in 2026 will become the largest and most environmentally friendly vessels in our fleet and by such represent an important step towards offering clients zero emission transportation. The investment further reflects the Group's positive market outlook and commitment for the years to come.

Going Concern

The Board of Directors confirms that the annual accounts have been prepared on the basis of 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 International II AS' assets and liabilities as well as financial position and results. No material events that affect the financial position have taken place after the balance sheet date.

A great challenge of our time is to stop the deterioration of our environment. With the shipping industry being one of the hard-to-abate industries, we are in full support of international regulations and initiatives and commend IMO's efforts to elevate ambition levels on emission reductions. The transition towards measuring emissions per transport work, in accordance with the well-to-wake principle, represents however a significant stride, together with the absence of concrete sanctions for non-compliance. We firmly advocate for the establishment of sanctions, alongside incentives, as this is essential to drive substantial emission reduction and ensure compliance with the objectives. The implementation of EU's European Trading Scheme from January 2024 is a welcomed measure in this respect. However, we are concerned about the lack of willingness by Norwegian decision makers to reinvest the funds from the EU ETS scheme back into emission reducing initiatives. We sincerely hope this lack of commitment is only due to slower processes in Norway than in the EU, which already has this in place.

The maritime industry is an important contributor to Norwegian value creation, and we expect that it will continue to not only have stable framework condition going forward, but also be able to operate on an even-level playing field. This is essential for our continued value contribution to society, but also to deliver common environmental objectives.

Oslo, 20 March 2024

The Board of Directors of Grieg International II AS

Stian Grieg Sæthre
Board Member

Camilla Grieg
Chair

Didrik O. Munch
Board Member

Kai Grøtterud
Board Member

Elisabeth Grieg
Deputy Chair

Rune Birkeland
Board Member

Hege Leirfall Ingebrigtsen
Board Member

Matthew Robert Cagienard Duke
CEO



Grieg International II AS

INCOME STATEMENT

| | Note | 2023 | 2022 |
|---|------|-------------------|-------------------|
| Revenues | | | |
| Operating revenue | 2 | 45 836 648 | 63 830 735 |
| Total revenues | | <u>45 836 648</u> | <u>63 830 735</u> |
| Driftskostnader | | | |
| Operating expenses | | | |
| Vessel operating expenses | 4 | 21 591 822 | 18 447 874 |
| Other expenses | 3 | 1 235 784 | 1 516 434 |
| Depreciation | 4 | 10 531 402 | 9 774 688 |
| Total operating expenses | | <u>33 359 008</u> | <u>29 738 996</u> |
| Operating profit | | <u>12 477 640</u> | <u>34 091 739</u> |
| Financial items | | | |
| Interest income | | 897 357 | 326 818 |
| Interest income group | 2 | 326 687 | 230 537 |
| Other financial income | | 16 947 | 4 081 |
| Interest expenses | | -3 198 608 | -4 141 753 |
| Interest expense to group companies | 2 | -129 838 | -1 466 731 |
| Other financial expenses | | -30 932 | -21 074 |
| Change in value of financial investments | 5 | 1 064 927 | -905 079 |
| Realized return on market-based fin.investments | 5 | -53 372 | 2 816 |
| Gain/loss on foreign exchange | | 188 372 | 77 292 |
| Net financial items | | <u>-918 460</u> | <u>-5 893 094</u> |
| Profit before tax | | <u>11 559 179</u> | <u>28 198 645</u> |
| Tax | 6 | -1 757 | -8 346 |
| Profit for the year | | <u>11 560 937</u> | <u>28 206 991</u> |
| <i>Allocations/(coverage of loss)</i> | | | |
| Dividend | | 0 | 20 000 000 |
| Other equity | | 11 560 937 | 8 206 991 |
| Total allocations/(coverage of loss) | | <u>11 560 937</u> | <u>28 206 991</u> |



Grieg International II AS

BALANCE SHEET AS OF 31.12

| | Note | 2023 | 2022 |
|--|------|--------------------|--------------------|
| ASSETS | | | |
| FIXED ASSETS | | | |
| Property, plant and equipment | | | |
| Vessels | 4 | 159 792 012 | 156 565 726 |
| Projects in progress | 4 | 342 440 | 305 691 |
| Total property, plant and equipment | | 160 134 453 | 156 871 417 |
| Total non-current assets | | 160 134 453 | 156 871 417 |
| CURRENT ASSETS | | | |
| Accounts receivables | | 25 488 | 61 835 |
| Receivable from group companies | 2 | 3 065 526 | 29 973 392 |
| Inventory of lub oil, paint & provision | | 1 128 129 | 992 768 |
| Other receivables | | 670 124 | 1 593 859 |
| Total receivables | | 4 889 266 | 32 621 854 |
| <i>Markedsbaserte investeringer</i> | | | |
| Market-based shares | | 0 | 1 517 219 |
| Other market-based financial instruments | | 15 666 166 | 8 125 992 |
| Total market-based investments | 5 | 15 666 166 | 9 643 211 |
| Bank deposits, cash in hand, etc | 2 | 252 598 | 31 594 |
| Total current assets | | 20 808 031 | 42 296 658 |
| TOTAL ASSETS | | 180 942 483 | 199 168 075 |



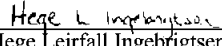
**Grieg International II AS**

BALANCE SHEET AS OF 31.12

| | Note | 2023 | 2022 |
|--|----------|--------------------|--------------------|
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Paid-in capital | | | |
| Share capital (4805130 shares of NOK 1,15) | 9, 10 | 985 999 | 985 999 |
| Share premium reserve | 9 | 34 528 747 | 34 528 747 |
| Other paid-in capital | 9 | 62 947 442 | 62 947 442 |
| Total paid-in capital | | 98 462 187 | 98 462 187 |
| Retained earnings | | | |
| Other equity | 9 | 33 281 032 | 9 453 348 |
| Total retained earnings | | 33 281 032 | 9 453 348 |
| Total equity | 9 | 131 743 220 | 107 915 535 |
| LIABILITIES | | | |
| Provisions | | | |
| Deferred tax | 6 | 43 982 | 56 734 |
| Total provisions | | 43 982 | 56 734 |
| Long-term liabilities | | | |
| Liabilities to financial institutions | 11 | 46 763 889 | 67 218 804 |
| Total long term liabilities | | 46 763 889 | 67 218 804 |
| Current liabilities | | | |
| Liabilities to group companies | 2 | 437 571 | 2 373 278 |
| Accounts payable | | 832 717 | 1 084 146 |
| Dividends | 9 | 0 | 20 000 000 |
| Taxes payable | 6 | 92 012 | 76 768 |
| Other current liabilities | | 1 029 094 | 442 809 |
| Total current liabilities | | 2 391 393 | 23 977 001 |
| Total liabilities | | 49 199 264 | 91 252 540 |
| TOTAL EQUITY AND LIABILITIES | | 180 942 483 | 199 168 075 |

Bergen, 20.03.2024

The Board of Directors of Grieg International II AS


Camilla Grieg
Chair
Elisabeth Grieg
Deputy chair
Didrik O. Munch
Board member
Rune Birkeland
Board member
Kai Grøtterud
Board member
Stian Grieg Sæthre
Board member
Matthew R. C. Duke
CEO
Hege Leirfall Ingebrigtsen
Board member



Cash flow statement Grieg International II 2023

| | USD 2023 | USD 2022 |
|---|--------------------|--------------------|
| Cash flow from operations | | |
| Profit before income taxes | 11,560,937 | 28,198,645 |
| Unpaid tonnage tax classified as operating expenses | 81,017 | 62,585 |
| Taxes paid in the period | -76,768 | -101,428 |
| Gain/loss from sale of market based investments | 53,372 | 0 |
| Depreciation | 13,132,274 | 11,751,014 |
| Writedown of assets | 0 | 0 |
| Change in inventory | -135,361 | -277,901 |
| Change in trade creditors | -435,528 | 928,774 |
| Effect of exchange fluctuations | 0 | 0 |
| Items classified as investments or financing | -1,064,927 | 905,079 |
| Change in other provisions | -346,299 | 1,556,892 |
| Net cash flow from operations | 22,768,716 | 43,023,661 |
| Cash flow from investments | | |
| Purchase of fixed assets | -2,534,000 | -5,869,356 |
| Proceeds from sale of market based investments | 13,558,252 | 0 |
| Purchase of market based investments | -18,569,661 | -2,816 |
| Change receivable cash pool agreement | 32,650,571 | -29,971,490 |
| Loan repayments received from Group companies | 0 | 76,391 |
| Net cash flow from investments | 25,105,161 | -35,767,271 |
| Cash flow from financing | | |
| Repayment of long term loans | -24,021,583 | -5,301,620 |
| Payments of Lease liabilities | -3,633,333 | -3,633,334 |
| Repayment of short-term Group loans | 0 | -3,261,000 |
| Payment of dividend | -20,000,000 | 0 |
| Net cash flow from financing | -47,654,916 | -8,562,620 |
| Net change in cash and cash equivalents | 218,961 | -1,306,230 |
| Cash acquired through merger | 2,043 | 0 |
| Cash and cash equivalents at the beginning of the period | 31,594 | 1,337,824 |
| Cash and cash equivalents at the end of the period | 252,598 | 31,594 |



Geieg Internasjonal II AS
Notes to the financial statement for 2023

Note 1 Accounting principles

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

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.

Acquisition cost

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

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 vessels are sailing in a pool, which are market and operated 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. The fleet is therefore considered to be the cash-generating unit. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each date.

Receivables

Trade debtors and other debtors are carried at nominal value after deducting provisions for expected losses. Loss provisions are based on an assessment of individual receivables.

Foreign currency

Cash items, receivables and liabilities denominated in foreign currencies are valued 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. Realised and unrealised gains and losses are included under financial items in the profit and loss statement.

Investments in financial instruments

Short-term investments in financial instruments are regarded as part of the financial trading portfolio and recognised at fair value at year-end. Dividends received, and both realised and unrealised gains/losses are recognised as other financial income.

Foreign exchange hedging

Derivatives purchased in order to reduce currency risk are treated as hedging transactions for accounting purposes. Gains and losses on foreign exchange contracts are therefore recognised in the same period as the hedged transactions. Unrealised gain/loss on the hedging contracts is not posted on the balance sheet.

Interest rate hedging

Interest rate hedging contracts are recognised and classified in the same way as the related mortgage loan. The interest received/paid under the contract is therefore recognised in the interest period in the question and is included in interest expenses for the period. Unrealised gain/loss on the hedging contracts is not posted on the balance sheet.

Fixed assets

Fixed assets are valued at historical cost less accumulated depreciation. Depreciation is charged on a straight line basis over the remaining expected useful life of each asset adjusted for the residual value. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period.

Total expenditure on the vessel is decomposed into components that have different useful lives. Expenses related to ordinary maintenance are expensed when incurred. Drydocking costs are capitalised and depreciated over the period to the next scheduled drydocking.

Inventories

The company has inventories of lub oil, paint and provision that are valued at the lower of cost and fair value.

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.

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 is subject to the taxation regime for shipowning companies pursuant to Chapter 8 of the Taxation Act.



Grieg International II AS
Notes to the financial statements for 2023

Cash flow statement

Cash flow statement are prepared according to the indirect method. Accordingly, the cash flows from, investment and financing activities are reported gross, while the accounting result is reconciled against the net cash flow from operations. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments that can immediately and with minimal exchange rate risk be converted into a known amount with due date less than three months from the purchase date.

Group account cash pool agreement

The company is a part of a new Group account cash pool agreement within the Group, with Grieg Shipowning AS as 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 Shipowning AS as Group Account Holder. Participating companies share of aggregated cash balance are recognised as intercompany balances in each participating company's balance sheet.

Estimates

When preparing the annual accounts in accordance with good accounting practice, management makes estimates and assumptions which affect the profit and loss account and the valuation of assets and liabilities, as well as information about contingent assets and liabilities at year-end.

Contingent losses which are likely and quantifiable are charged against income on an ongoing basis.

Change of presentation currency

As of 1 January 2014, the company changed its presentation currency from NOK to USD. The company's functional currency is USD as most of the company's revenues and operating costs are realised in USD.

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 pool on behalf of Grieg International II AS. The shipping pool result is distributed to the company based on a distribution key.

| Company | Relation | Type of services | 2023 | 2022 |
|--|--------------------|------------------|--------|--------|
| Operating revenue from group and associated companies | | | | |
| G2 Ocean AS | Associated company | Time charter | 45,837 | 63,831 |

Grieg International II AS is administratively and financially managed by Grieg Maritime Group AS, and pays annual management fee for such services. All vessels are managed by Grieg Star AS.

All ship management services are remunerated through an annual ship management fee. In addition, the company purchases services from Grieg Star AS related to following up various fleet operational and development matters.

| | | | | |
|-------------------------|---------------|------------|--------------|--------------|
| Grieg Shipholding AS | Group company | Management | | 38 |
| Grieg Maritime Group AS | Group company | Management | 464 | 539 |
| Grieg Star AS | Group company | Management | 2,058 | 2,135 |
| Total | | | 2,522 | 2,711 |

There have been loans and/or performance guarantees between Grieg International II AS and Group companies, which has led to interest elements between the companies.

| | | | 2023 | 2022 |
|----------------------------|---------------|------------------|------------|---------------|
| Net financial items | | | | |
| Grieg Shipowning AS | Group company | Interest income | 327 | 231 |
| Grieg Shipping II AS | Group company | Interest income | | 0 |
| Grieg Shipowning AS | Group company | Interest expense | -126 | -1,463 |
| Grieg Shipholding AS | Group company | Interest expense | -4 | -3 |
| Total | | | 197 | -1,236 |

Balances with group companies and related parties

| | | 2023 | 2022 |
|-------------------------------------|---------------|--------------|---------------|
| Other short-term receivables | | | |
| Grieg Shipping II AS | Group company | 3 | |
| Grieg Matuntas AS | Related | | 2 |
| Grieg Star OH Pool AS | Group company | 152 | |
| Grieg Shipowning AS *) | Group company | 2,910 | 29,971 |
| Sum | | 3,066 | 29,973 |

*) The short-term receivables to Grieg Shipowning AS in 2023 is in total related to the Shipowning cash pool.



Grieg International II AS
Notes to the financial statements for 2023

| Other current liabilities | | | 2023 | 2022 |
|---------------------------|---------------|------------|------------|---------------|
| Grieg Star AS | Group company | | 157 | 345 |
| Grieg Maritime Group AS | Group company | | 247 | 335 |
| Grieg Shipping III AS | Group company | | | 1,080 |
| Grieg Shipping II AS | Group company | | 17 | 128 |
| Grieg Shipowning AS | Group company | (dividend) | | 20,000 |
| Grieg Star OH Pool AS | Group company | | | 476 |
| Grieg Green AS | Group company | | 7 | 4 |
| Grieg Investor AS | Related | | 9 | 5 |
| Sum | | | 488 | 22,373 |

Note 3 Payroll expenses, auditor's fee etc.

Figures in USD 1 000

Payroll expenses, number of employees, remuneration etc.

The company has no employees, no remuneration was paid to the CEO or the Board, and no loans or guarantees have been given to the CEO, Board Chair or other close associates.

| Auditor's fee | 2023 | 2022 |
|--|-----------|-----------|
| Statutory audit (incl. technical assistance with financial statements) | 18 | 21 |
| Tax advisory fee (incl. technical assistance with tax return) | | 0 |
| Other non-audit services | 2 | 0 |
| Total fees to auditor, excl VAT | 20 | 21 |

Note 4 Fixed Assets

Figures in USD 1 000

| | Vessels | Docking | Total |
|-----------------------------------|----------------|---------------|----------------|
| Purchase cost at 01.01 | 342,530 | 12,621 | 355,151 |
| Merger with Grieg Shipping III AS | 15,475 | | 15,475 |
| Additions | 683 | 2,590 | 3,273 |
| Disposals | | 2,512 | 2,512 |
| Purchase cost at 31.12 | 358,688 | 12,699 | 371,386 |
| Accumulated depreciation at 31.12 | 179,266 | 6,078 | 185,344 |
| Accumulated impairment loss | 26,250 | | 26,250 |
| Book value at 31.12 | 153,171 | 6,621 | 159,792 |
| Depreciation | 10,531 | 2,068 | |
| Depreciation plan | Straight line | Straight line | |
| Expected useful life | 30 years | 5 years | |

Based on an impairment testing per year-end 2020, the open hatch fleet was written down with USD 26.25m. At 31.12.23 the company has no new building contracts.

Note 5 Investments in financial instruments

Figures in USD 1 000

| | Acquisition cost | 2023 | | 2022 | |
|--|------------------|----------------------|------------------------|------------------|-------------------|
| | | Market value | Market value | Acquisition cost | Market value |
| Mutual funds | | | | 1,891 | 1,517 |
| Bonds | 13,564 | 13,988 | | 3,585 | 3,305 |
| Money market funds | 1,568 | 1,678 | | 4,698 | 4,821 |
| Book value 31.12 | 15,132 | 15,666 | | 10,174 | 9,643 |
| | | 2023 | | | |
| | | Realised profit/loss | Unrealised profit/loss | | Total profit/loss |
| Mutual funds | | -55 | 374 | | 319 |
| Bonds | | 2 | 704 | | 705 |
| Money market funds | | 0 | -12 | | -12 |
| Profit/loss from changes in fair value of financial instruments | | -53 | 1,065 | | 1,012 |



Georg International II AS
Notes to the financial statement for 2023

Note 6 Taxes

Figures in USD 1 000

The company is taxed according to the Tonnage tax rules in the Norwegian Fiscal § 8-10.

| | 2023 | 2022 |
|---|---------|---------|
| Tax expense consists of: | | |
| Tax payable on taxable income | 11 | 14 |
| Change in deferred tax | -13 | -23 |
| Tax expense | -2 | -8 |
| Tonnage tax (booked as operating cost) | 81 | 63 |
| Deferred tax: | | |
| Revaluation account | 655 | 1,404 |
| Temporary differences on taxable securities | -909 | 417 |
| Profit/loss account | 200 | 258 |
| Financial losses brought forward | -17,680 | -20,579 |
| Basis for deferred tax/deferred tax asset | -17,734 | -18,500 |
| Deferred tax/deferred tax asset (22%) | -3,901 | -4,070 |
| Deferred tax benefit not shown in the balance sheet | 3,901 | 4,070 |
| Deferred tax benefit in the balance sheet | 0 | 0 |

Deferred tax benefit is not recognised in the balance sheet due to uncertainties related to future utilisation of financial losses brought forward. The deferred tax in the balance sheet 31.12 is related to the profit and loss account.

| Tax payable in the balance sheet: | | |
|---|----|----|
| Taxable financial income from profit and loss account | 50 | 64 |
| Tax payable financial income | 11 | 14 |
| Tonnage tax | 81 | 63 |
| Tax payable in the balance sheet | 92 | 77 |

Note 7 Financial risk management

The company uses various financial derivatives to manage its financial market risk. This includes forward contracts, options, interest rate swaps and forward freight agreements.

Interest rate risk

The company's long term debt and some of its lease agreements are at floating interest rate terms, exposing the company to interest rate risk. The company's strategy is to hedge its interest rate exposure by utilizing interest rate swap agreements. Gains and losses arising from interest rate swaps are recognised in the same period as the related interest expense. At 31.12.23 the company held interest rate swap agreements of USD 52m. Total unrealised MTM value for the swaps, not recognised in the balance sheet, at 31.12.23 was USD 1.66m.

Foreign exchange risk

The company hedges, from time to time, expenditures in currencies other than USD through forward contracts. At 31.12.23 the company had entered into hedging through the use of currency swaps for USD 1.94m. Total unrealised MTM value, not recognized in the balance sheet, at 31.12.23, was USD 0.46m.

Freight risk (FFA)

Forward Freight Agreements (FFA) are from time to time used as a risk management instrument in order to smooth out freight volatility. The FFA contracts are settled as an adjustment of operating income. At 31.12.23, the company had not entered into any Forward Freight Agreements (FFA).

Note 8 Debtors which fall due later than one year

Figures in USD 1 000

The company has no receivables which fall due later than one year.



Grieg International II AS
Notes to the financial statement for 2023

Note 9 Equity

Figures in USD 1 000

| Changes in equity | Share capital | Share premium | Other equity | Total |
|-----------------------------------|---------------|---------------|---------------|----------------|
| Equity at 01.01 | 986 | 34,529 | 72,400 | 107,915 |
| Merger with Grieg Shipping III AS | | | 12,267 | 12,267 |
| Dividend | | | | 0 |
| Profit for the year | | | 11,561 | 11,561 |
| Equity at 31.12 | 986 | 34,529 | 96,228 | 131,743 |

Note 10 Share capital and shareholders information

The parent company, Grieg Maritime Group AS has its registered office in Bergen (C. Sundts gate 17), where the consolidated financial statements are available.

The share capital consists of 4 805 130 shares with nominal value of NOK 1.15 each.

| Shareholders at 31.12 | Number of shares | Ownership |
|-----------------------|------------------|-------------|
| Grieg Shipowning AS | 4,805,130 | 100% |
| Total shares | 4,805,130 | 100% |

Note 11 Interest bearing debt and credit facilities

Mortgage loans

At 31.12.23, the company has no loans.

Covenants

The company, together with Grieg Shipping II AS, providing guarantees in the amount of USD 181.6m for Grieg Shipowning AS.

All the loans have a financial covenant that Grieg Shipowning consolidated shall have minimum USD 25M / 5% of interest bearing debt in liquidity and minimum 25% in book equity. The company has been in compliance with its covenants throughout the year.

Long term liabilities which fall due later than 5 years

Figures in USD 1 000

| | 2023 | 2022 |
|------------------------------------|------|------|
| Liabilities to credit institutions | 0 | 0 |

| | 2023 | 2022 |
|---|----------|---------------|
| Liabilities secured by mortgage (1st priority) | 0 | 16,822 |

Book value of assets pledged as security:

| | | |
|--------------|----------|---------------|
| Vessels | 0 | 31,667 |
| Total | 0 | 31,667 |

Other long-term debt

| | | |
|-----------------------------------|---------------|---------------|
| Financial leasing | 46,764 | 50,397 |
| Total other long-term debt | 46,764 | 50,397 |

Note 12 Merger

The merger between Grieg International II AS and Grieg Shipping III AS was registered on 26th of September 2023, with effect from 01.01.2023. Grieg International II AS is the acquiring company.