Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	932 578 247
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	REDERIAKSJESELSKAPET TORVALD KLAVENESS
Forretningsadresse:	Drammensveien 260 0283 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Lena Evensen
Dato for fastsettelse av årsregnskapet:	27.03.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert

År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

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Brønnøysundregistrene, 24.05.2026

Resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Kostnader			
Operating expenses	2,3	5 840 000	11 510 000
Sum kostnader		**5 840 000**	**11 510 000**
Driftsresultat		**-5 840 000**	**-11 510 000**
Finansinntekter og finanskostnader			
Income from subsidiares	4	34 103 000	55 593 000
Gain/(loss) from sale of shares in subsidiares	4	13 069 000	-273 000
Annen renteinntekt			1 213 000
Net other financial income/expenses		1 151 000	332 000
Net currency gain / (loss)		594 000	776 000
Sum finansinntekter		**48 917 000**	**57 641 000**
Impairment subsidiares	4	14 151 000	16 936 000
Annen rentekostnad		569 000	
Sum finanskostnader		**14 720 000**	**16 936 000**
Netto finans		**34 197 000**	**40 705 000**
Resultat før skattekostnad		**28 357 000**	**29 195 000**
Taxes	5	-542 000	-992 000
Årsresultat		**28 899 000**	**30 187 000**
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		28 899 000	30 187 000
Sum overføringer og disponeringer		**28 899 000**	**30 187 000**

Balanse

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Work in progress		85 000	0
Utsatt skattefordel	5	5 361 000	4 819 000
Sum immaterielle eiendeler		**5 446 000**	**4 819 000**
Finansielle anleggsmidler			
Investering i datterselskap	4	337 874 000	322 395 000
Sum finansielle anleggsmidler		**337 874 000**	**322 395 000**
Sum anleggsmidler		**343 320 000**	**327 214 000**
Omløpsmidler			
Varer			
Fordringer			
Other accounts receivable		13 000	3 000
Konsernfordringer	6	4 704 000	22 571 000
Sum fordringer		**4 717 000**	**22 574 000**
Bankinnskudd, kontanter og lignende			
Bank deposits	7	31 985 000	7 638 000
Sum bankinnskudd, kontanter og lignende		**31 985 000**	**7 638 000**
Sum omløpsmidler		**36 702 000**	**30 212 000**
SUM EIENDELER		**380 022 000**	**357 426 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital (10 000 shares of NOK 5 099,82)		8 153 000	8 153 000
Annen innskutt egenkapital		10 855 000	10 855 000

Balanse

Beløp i: USD	Note	2024	2023
Sum innskutt egenkapital		**19 008 000**	**19 008 000**
Opptjent egenkapital			
Other equity	8	322 223 000	293 323 000
Sum opptjent egenkapital		**322 223 000**	**293 323 000**
Sum egenkapital		**341 231 000**	**312 331 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	9	11 924 000	12 293 000
Sum annen langsiktig gjeld		**11 924 000**	**12 293 000**
Sum langsiktig gjeld		**11 924 000**	**12 293 000**
Kortsiktig gjeld			
Utbytte	8	0	2 500 000
Kortsiktig konserngjeld	10	24 851 000	25 239 000
Other short-term liabilities	11	2 016 000	5 063 000
Sum kortsiktig gjeld		**26 867 000**	**32 802 000**
Sum gjeld		**38 791 000**	**45 095 000**
SUM EGENKAPITAL OG GJELD		**380 022 000**	**357 426 000**

Konsernets resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Gross revenues from operation of vessels	5	409 100 000	433 962 000
Net income/(loss) from physical and financial freight agreements	7	4 990 000	15 155 000
Subscription revenue	8	2 716 000	2 351 000
Other operating revenue	9	2 203 000	6 306 000
Sum inntekter		**419 009 000**	**457 774 000**
Kostnader			
Voyage related expenses and distribution of pool result	6	211 962 000	237 671 000
Operation of vessels	6	48 562 000	44 577 000
Salaries and social expenses	10, 11	27 516 000	36 115 000
Depreciation fixed assets	13	34 544 000	37 148 000
Other operating and administrative expenses	12	16 140 000	16 530 000
Sum kostnader		**338 724 000**	**372 041 000**
Driftsresultat		**80 285 000**	**85 733 000**
Finansinntekter og finanskostnader			
Other financial income/(loss)	15,16	4 343 000	19 279 000
Net currency gain		3 568 000	-5 165 000
Sum finansinntekter		**7 911 000**	**14 114 000**
Annen rentekostnad	14	9 140 000	11 980 000
Sum finanskostnader		**9 140 000**	**11 980 000**
Netto finans		**-1 229 000**	**2 134 000**
Resultat før skattekostnad		**79 056 000**	**87 867 000**
Taxes	17	88 000	164 000
Årsresultat		**78 968 000**	**87 703 000**
Minoritetsinteresser		36 782 000	39 524 000
Årsresultat etter minoritetsinteresser		**42 186 000**	**48 179 000**

Konsernets balanse

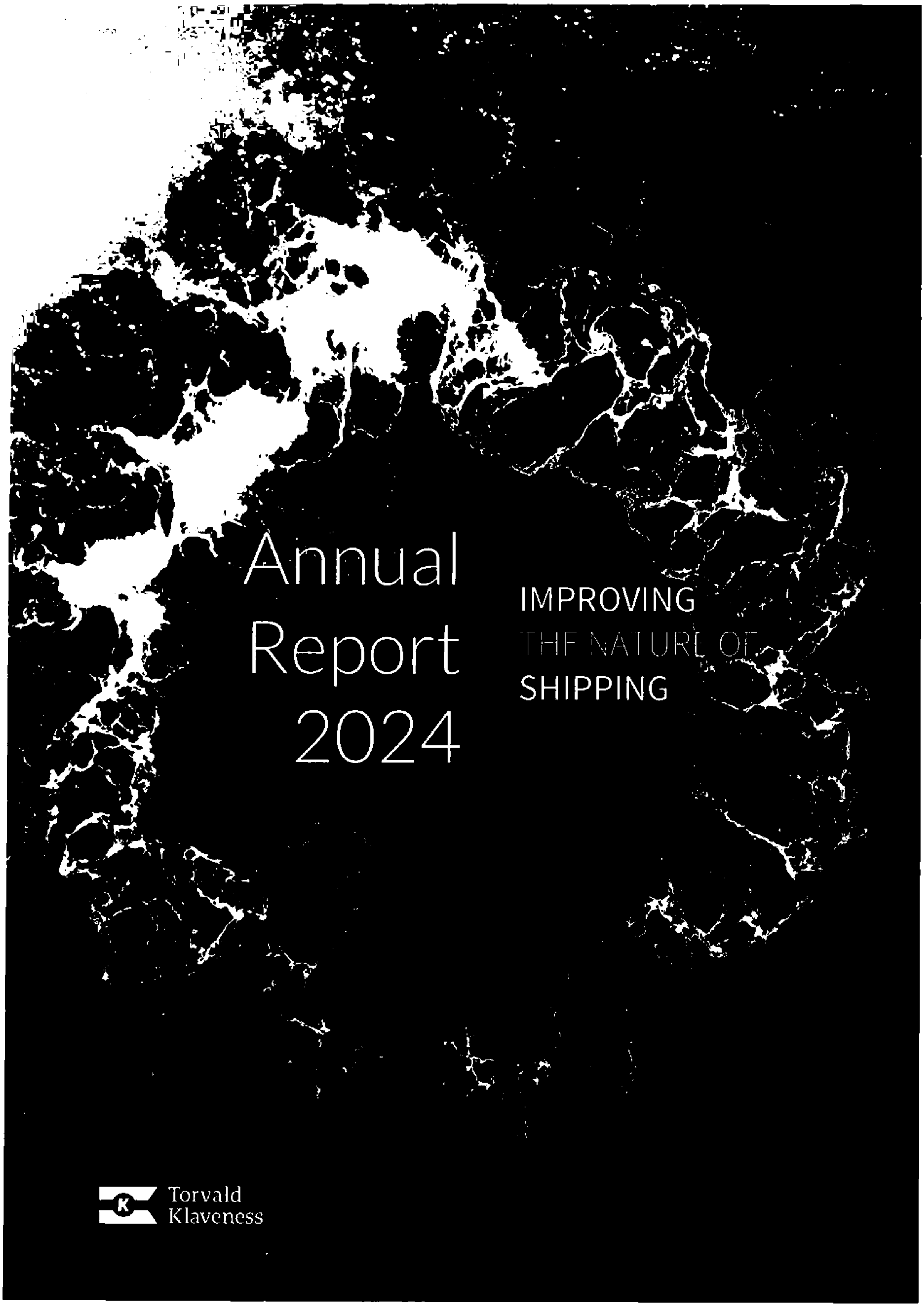
Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Other intagible assets	13	3 093 000	5 140 000
Utsatt skattefordel	17	6 897 000	6 897 000
Sum immaterielle eiendeler		**9 990 000**	**12 037 000**
Varige driftsmidler			
Vessels	13	492 804 000	496 071 000
Newbuilding contracts	18	19 170 000	17 591 000
Other tangible assets	13	4 114 000	3 797 000
Work in progress	13	966 000	964 000
Sum varige driftsmidler		**517 054 000**	**518 423 000**
Finansielle anleggsmidler			
Investments in associated companies	16	75 000	81 000
Other long-term financial assets	19	15 032 000	490 000
Sum finansielle anleggsmidler		**15 107 000**	**571 000**
Sum anleggsmidler		**542 151 000**	**531 031 000**
Omløpsmidler			
Varer			
Bunkers on board vessels and other inventories	20	32 622 000	36 386 000
Sum varer		**32 622 000**	**36 386 000**
Fordringer			
Account receivable	21	26 084 000	28 497 000
Prepaid expenses	22	17 425 000	24 688 000
Other short-term receivables	23	14 569 000	24 509 000
Sum fordringer		**58 078 000**	**77 694 000**
Investeringer			
Other short-term investments	24	120 767 000	81 926 000
Derivatives		13 000	526 000
Sum investeringer		**120 780 000**	**82 452 000**

Konsernets balanse

Beløp i: USD	Note	2024	2023
Bankinnskudd, kontanter og lignende			
Cash and bank deposits	25	148 777 000	145 828 000
Sum bankinnskudd, kontanter og lignende		**148 777 000**	**145 828 000**
Sum omløpsmidler		**360 257 000**	**342 360 000**
SUM EIENDELER		**902 408 000**	**873 391 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital (10 000 shares of NOK 5 099,82)		8 154 000	8 154 000
Annen innskutt egenkapital		49 052 000	49 052 000
Sum innskutt egenkapital		**57 206 000**	**57 206 000**
Opptjent egenkapital			
Other equity	26	352 774 000	301 198 000
Sum opptjent egenkapital		**352 774 000**	**301 198 000**
Minoritetsinteresser		168 040 000	153 504 000
Sum egenkapital		**578 020 000**	**511 908 000**
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	10	288 000	461 000
Other long-term provisions	27	1 013 000	3 068 000
Sum avsetninger for forpliktelser		**1 301 000**	**3 529 000**
Annen langsiktig gjeld			
Obligasjonslån	29	75 201 000	66 986 000
Gjeld til kredittinstitusjoner	28	128 559 000	154 564 000
Langsiktig konserngjeld	30	5 244 000	0
Sum annen langsiktig gjeld		**209 004 000**	**221 550 000**
Sum langsiktig gjeld		**210 305 000**	**225 079 000**

Konsernets balanse

Beløp i: USD	Note	2024	2023
Kortsiktig gjeld			
Short-term interest-bearing debt	33	34 674 000	36 754 000
Leverandørgjeld	31	15 977 000	15 169 000
Taxes payable	17	250 000	292 000
Utbytte	26	0	2 500 000
Accrued expenses	32	30 327 000	29 759 000
Derivatives		164 000	219 000
Other short-term liabilites	34	32 691 000	51 711 000
Sum kortsiktig gjeld		**114 083 000**	**136 404 000**
Sum gjeld		**324 388 000**	**361 483 000**
SUM EGENKAPITAL OG GJELD		**902 408 000**	**873 391 000**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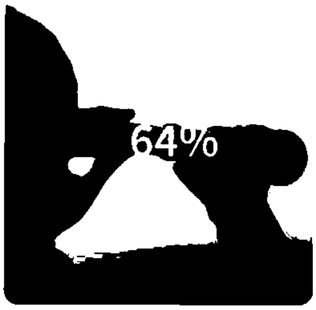
SHIPPING
Torvald
Klaveness

Key Figures

Equity



EBT (Earnings Before Tax - MUSD)

Number of vessels

USD million	2024	2023	2022
Profit and loss			
Gross operating revenues [1]	409	434	477
EBITDA	115	123	116
Profit/(loss) after tax (excl. minority interests)	42	48	37
Profit/(loss) after tax (incl. minority interests)	79	88	65
Balance sheet			
Total assets	902	873	883
Total equity (incl. minority interests)	578	512	448
Total equity (excl. minority interests)	410	358	324
Interest-bearing debt	244	258	326
Cash and cash equivalents	149	146	188
Cash flow from investing activities			
Net cash flow from investing activities	(23)	(36)	(16)
Equity ratios			
Equity ratios (excl. minority interests)	45 %	41 %	37 %
Equity ratios (incl. minority interests)	64 %	59 %	51 %
Employees			
Number of employees onshore [2]	203	221	184
Vessels [3]			
Pool vessels	25	28	30
Klaveness chartering - chartered vessels	30	41	27
Combination carriers	16	16	16
Vessels under construction	3	3	-

[1] *Income/loss from physical and financial freight.*

[2] *Number of employees at year end for Oslo, Singapore, Manila and Tokyo.*

[3] *Per year-end. Vessels hired in on spot voyages are not included.*

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CEO's Letter

Delivering food, energy, and metals to the world

Ernst Meyer

While 2024 has been another strong year for Klaveness with zero accidents and profits before tax of USD 79.1 million , we cannot ignore the deep and ongoing challenges stress testing the world and our industry. At Klaveness, we remain steadfast in our decision to halt all Russian trading after their attack on Ukraine. With a long history of transporting grain and minerals from Black Sea ports, we continue to closely monitor the situation. We feel deeply for those affected by war, and have once again contributed nearly $2 million to organizations providing humanitarian aid to Ukrainian soldiers through Fritt Ukraina and HMM Helsehjelp.

Amid ongoing conflicts and rising tensions, maritime supply chains face new risks, including those leading to significant sailing restrictions in the Black Sea and Red Sea. Trade wars, with its subsequent inflationary pressures, and high interest rates could further disrupt global trade and hinder progress toward the UN's sustainability goals. Adding to these challenges are the brewing sanctions targeting Chinese content in shipping which risk further complicating global trade dynamics. While we hope critical tipping points to trigger a global financial crisis will not be reached in 2025, we must be prepared for any challenges ahead.

However, the biggest long-term challenge for maritime supply chains is providing enough tonnage to meet global demand for necessity goods such as food, energy and metal, while simultaneously meeting the industry's decarbonization goals. The IMO 2050 goals are likely to shorten the traditional 20 to 25-year economic lifetime of ships delivered after 2030. This will be the case unless significant CAPEX is invested to prepare them for carbon-neutral propulsion—with the assumption that the fuel prepared will become available at scale.

Regardless of these challenges, shipping remains the lifeblood of global trade. At Klaveness, we believe that achieving a sustainable shipping industry goes beyond fuel, energy efficiency, and voyage optimization. We see the vast potential in using innovation, collaboration, and digitalization to unlock trading efficiency—not just to meet our business goals, but to drive the industry toward a more sustainable future by:

- Selecting the right vessel for the right voyage at the right time
- Eliminating practices that cause ships to wait unnecessarily before loading and unloading
- Maximizing vessel utilization
- Optimizing trade routes to minimize ballast legs

While remaining committed to our values, we are ready for the challenge and strive to demonstrate how, together, we can improve the nature of shipping by making seaborne supply chains resilient to shocks, decarbonized, and cost-effective.

At Klaveness our strategy is built around delivering world-class freight and logistics services to industrial cargo owners. These services include physical freight—delivered either by our unique combination carriers through KCC, or by Kamsarmax vessels chartered in by Klaveness Dry Bulk. Baumarine delivers pool solutions to shipowners, while Klaveness Digital provides innovative software solutions that enable cargo owners to make better freight and supply chain decisions.

To sharpen our focus and support future growth, we made two significant decisions in 2024 signalling a new chapter in the company's strategic direction. Firstly, we sold Klaveness Ship Management to OSM Thome allowing us to obtain ship management at scale for our KCC fleet, and allocate more attention to our core growth areas. Secondly, we consolidated our group-wide digital solutions teams under Klaveness Digital — a company set to grow both organically and through M&A in the years ahead.

Our investment capacity has grown considerably in the recent years, fuelled by strong returns from both operations and financial investments. Today, our diversified financial portfolio spans fixed-income, equity funds, real estate, and opportunistic investments in shipping and energy. Looking ahead, the investment base remains open to strategic opportunities that can further strengthen our industrial portfolio and support our vision to Improve the Nature of Shipping.

Board of Directors

Trond Harald Klaveness

Norwegian national, born 1964.
Elected to the Board of Directors in 2011.

Controlling shareholder of Torvald Klaveness, with six years as CEO and 20 years in total working for the company.
- Prior to Klaveness, held several positions within shipping in the US and USSR.
- Business degree from Boston University.

Christian Rynning-Tønnesen

Norwegian national, born 1959.
Elected to the Board of Directors in 2005.

CEO of ICP Infrastructure.
- Former CEO of Statskraft and Norske Skog.
- Engineering degree from the Norwegian University of Science and Technology (NTNU).

Rebekka Glasser Herlofsen

Norwegian national, born 1970.
Elected to the Board of Directors in 2022.

Independent consultant, investor and board professional.
- 25+ years experience in shipping and finance, inc. former CFO of Torvald Klaveness.
- Business degree from Norwegian School of Economics (NHH) and certified financial analyst.

Elisabeth Tørstad

Norwegian national, born 1965.
Elected to the Board of Directors in 2023.

CEO of Asplan Viak.
- 25+ years experience in shipping and energy, inc. CEO positions in DNV GL subsidiaries.
- MSc in Physics from the University of Oslo, qualifications in technology transformation and digital strategy from University of California and INSEAD.

Director's Report 2024

Highlights

At Klaveness, "Always Safe and Secure" remains our top priority. In 2024, the company continued to uphold its robust safety, security, and environmental standards with no serious injuries, accidents, or marine spills.

Klaveness' strategic ambition is to '*make seaborne supply chains resilient, decarbonized, and cost-effective*' towards its vision of '*improving the nature of shipping*'. The industrial portfolio companies and the Holding team of Klaveness work both individually and collaboratively to realize this vision. Through the fleet of combination carriers owned by Klaveness Combination Carriers ASA (KCC), increased market diversification and trading efficiency are achieved through switching between wet and dry cargoes, while the Klaveness Dry Bulk (KDB) trading model is designed to take advantage of market volatility in both high and low markets. Digital services add to the company's service portfolio enabling customers to make better commercial decisions within supply chain optimization and freight. Profits from financial investments continue to provide a solid investment base for the group. Despite increasingly challenging markets and geopolitical turmoil, Klaveness delivered another financially and operationally strong year in 2024.

Average TCE spot earnings for Panamax dry-bulk vessels were approximately $14,700/day in 2024, up from approximately $12,600/day in 2023. The first quarter, often seasonally weak, was stronger than expected driven up by trading restrictions in the Red Sea due to the Gaza-war and positive tonne-mile effects stemming from the drought in the Panama Canal. Markets weakened in the second half of the year, due to normalization of the Panama canal and low Chinese demand for North American grain, as well as low European demand for coal in a time of lower than normal industrial activity and an improving energy balance.

The product tanker market continued to strengthen in the beginning of 2024 from already elevated levels, emphasized by the above mentioned situation in the Red Sea and the resulting increased sailing distances. However, in the last three quarters of the year product tanker earnings fell back, facing unexpected competition from VLCCs that were cleaned and used in the product market - this in a situation with unusually high spreads between the crude and product markets caused by weaker oil demand and weak refinery margins. The normal seasonally strong winter market, which typically starts in the fourth quarter, failed to materialize.

Klaveness Combination Carriers (KCC) is the global leader in combination carriers. KCC strives to solve inefficiencies by maximizing the utilization of its fleet and by minimizing ballast between the laden voyages through consecutively switching between dry and wet cargo shipments. The fleet size in KCC will be upheld by three new vessels that were ordered in 2023 with delivery expected 2026. The fleet of 16 vessels in operations with 3 vessels under construction has been managed in-house by **Klaveness Ship Management (KSM)**. An agreement to sell KSM to OSM Thome, a global leader in ship management, was announced in October 2024 and concluded in January 2025. KSM will continue to deliver management to the KCC fleet exclusively under the new ownership.

Klaveness Dry Bulk (KDB) is an operator and pool manager in the dry bulk segment operating a fleet of around 60 vessels in the Panamax, Kamsarmax and Post-Panamax segments. After three years as joint partners of the Baumarine by Maruklav pool, the Japanese Marubeni Corporation acquired a 25% stake in KDB with effect from January 1 2024, underscoring both parties' commitment to transforming the shipping industry through innovation. In 2024, Klaveness has further developed its presence in Japan with the opening of a new office located in Tokyo. The Software-as-a-Service (SaaS) platform Market Manager offered by KDB to optimize the freight decisions of cargo owners and operators has gained further traction in the market through 2024 acquiring several new customers.

Klaveness Digital (KD) provides the SaaS solution CargoValue for seaborne supply chain management to industrial customers. In 2024, Klaveness has launched a strategic initiative to consolidate all commercial software initiatives under the KD umbrella to further explore product synergies, increase focus on innovative processes, and strengthen the operational base for digital services.

Klaveness is organized as a holding company **(Klaveness Holding)** with a corporate management team executing active ownership of the existing portfolio of companies, driving new strategic and opportunistic investments, and actively managing a portfolio of liquid financial investments. The portfolio companies are governed through dedicated boards, comprising both internal and external board members to drive strategic and commercial development.

The wars in Ukraine and Gaza continue to impact how Klaveness operates. The company has suspended all commercial activities with Russian- and Belarusian - owned companies and excluded all Russian ports from permitted trading areas. In early 2024, Klaveness made a decision to not trade its own vessels through the Red Sea until the war-like situation in the area improves. Klaveness follows the situations closely and is deeply moved by the plight of the people affected by wars, donating USD 1.8 million from its 2024 revenue to organizations providing humanitarian aid in Ukraine and other parts of the world.

Health and Safety

Klaveness prioritizes safety with a clear and robust safety policy focused on the working environment and well-being of the seafarers to support mental and physical health. There were no serious injuries in 2024, however one high-risk potential accident was registered (compared to two in 2023). Potential accidents and incidents including near-misses are registered to learn and improve operational performance to prevent future serious accidents. Results over the recent year's since KSM's safety culture program KLASS (Klaveness Always Safe and Secure) was established in 2020 are encouraging.

Lost Time Injury Frequency (LTIF) for the KCC fleet in 2024 was 0.3, up from zero in 2023, but within the KCC target of <0.5 and below average in Intertanko's benchmarking system (0.43). The development is likely partly a result of KLASS initiatives and a continuous high focus on safety through management activities and regular inspections. The KLASS program is integrated between shore and sea and has been mandatory for all seafarers since 2020.

Merchant vessels are exposed to seizures in the Arabian/Persian Gulf and the Gulf of Oman and through 2024 merchant vessels have experienced aggressive approaches by a variety of means. The piracy risk in Persian Gulf/Gulf of Oman/Gulf of Aden has subdued over the last years; however, 2024 saw an increase of armed robberies and suspected piracy attempts off the Somali coast.

As a result, in November 2024, Den Norske Krigsforsikring for Skib (DNK) increased the threat level for Hijack or Kidnap-for-Ransom (K&R) towards merchant vessels in the Western Indian Ocean from the Somali shore out to 600 nautical miles from low to moderate. In the Singapore Strait, different criminal groups operating in these waters have continued to target merchant vessels.

No serious security incidents, suspicious approaches or boarding attempts were reported on Klaveness-managed vessels in 2024. Security threats are continuously monitored and intelligence reports from DNK are shared across the fleet to create and increase awareness.

No Klaveness vessels have traded in the Black Sea under a corporate policy due to war risk.

Sustainability

Sustainability is a core pillar in the Klaveness strategy of making seaborne supply chains resilient, decarbonized, and cost-effective. Klaveness aims to reduce carbon emissions through trading efficiency in addition to energy efficiency, voyage optimization and in preparing for future fuel technologies.

Decarbonization continues to be the centrepiece of KCC's strategy, and KCC presented an updated Environmental Strategy

in March 2023 reconfirming the company's commitment to deliver large reductions in the carbon footprint of the combination carrier business over the coming years. The ambition is to reduce the carbon intensity measured by Energy Efficiency Operational Indicator (EEOI) by 45% by 2030 year-end compared to 2018 for the combination carriers fleet. KCC continued in 2024 to focus on reducing the emissions of the operations through trading efficiency, voyage efficiency, and through investing in energy efficiency measures. The portfolio of energy efficiency measures was expanded with suctions sails to be installed on one of the 2026 newbuild vessels. However, the decarbonization performance did not meet its overall target for the year. The carbon intensity (EEOI) of the fleet was up from 6.5 in 2023 to 6.6 in 2024, slightly above the target of 6.4, mainly due to the less optimal trading of the CLEANBU fleet in a market with high spreads between dry and wet.

In terms of environmental impact, bulk shipping is the most efficient way of transporting industrial commodities. Nevertheless, the shipping industry has a significant environmental footprint both globally and locally. All dry bulk vessels operated by Klaveness Dry Bulk are chartered in and the responsibility for their technical condition remains with the owners of these vessels.

As of January 1, 2024, the EU Emissions Trading System (EU ETS) was extended to cover CO2 emissions from all ships (of 5,000 gross tonnage and above) entering EU ports. For voyages in and out of the EU, shipowners will need to surrender emission allowances for 50% of the reported CO_2 emissions, and for voyages within the EU, 100% of emissions are in scope.

As of January 1, 2025, the EU FuelEU Maritime Regulation came into effect, requiring large ships calling at EU ports to progressively reduce the greenhouse gas (GHG) intensity of the energy they use. Targets will ensure that the greenhouse gas intensity of fuels used in the sector will gradually decrease over time, starting with a 2% decrease in 2025 and reaching up to an 80% reduction by 2050.

Klaveness' exposure to both EU ETS and FuelEU regulations is limited due to the low share of trading on EU ports, however, fuel and/or emission regulations are likely to increase fuel costs in the future. It is likely that IMO will implement a global carbon pricing mechanism from 2027.

In 2022, the EU published the Corporate Sustainability Reporting Directive (CSRD), followed by the European Sustainability Reporting Standards (ESRS) in 2023. The regulations were implemented in Norwegian law in 2024, and Klaveness at both group level and through KCC was obliged to report from 2025 onwards. In 2024, the group has carried out Double Materiality Analyses at both levels, and KCC has published a sustainability statement as part of their annual report for 2024 structured in preparation for compliance with CSRD (KCC Annual Report 2024). On February 27, 2025, the EU has through the Omnibus project signalled a rollback of the CSRD reporting requirements and if the amended regulations come into force, Klaveness will no longer be in scope. The Board will consider Klaveness' scope of sustainability reporting in light of the new regulations once finalized.

The Transparency Act covers all global activities in the group. As all companies within Klaveness are covered by common policies, governance, compliance programme and due diligence, a shared statement has been published on Klaveness' website (Transparency Act). A heatmap identifying high-risk areas for human rights violations and sub-standard working conditions based on geographical areas and activities/value chains has been established in 2022 and revised in 2024. Based on the heatmap, additional due diligence checks are performed whenever high degrees of risk are involved. The main focus in 2024 has been on updating the heatmap, as well as providing training on sanctions and KYC routines for employees on the KYC-team.

The Sea Cargo Charter, of which both Torvald Klaveness and KCC are founding signatories, represents about 17% of total seaborne bulk cargo (2022). In 2024, Torvald Klaveness decided to join Global Maritime Forum while KCC will maintain its work and membership in Sea Cargo Charter. Sea Cargo Charter is an offspring of Global Maritime Forum, an independent not-for-profit organisation with a focus on decarbonizing the maritime industry and making life at sea more inclusive and appealing to people of all backgrounds.

Klaveness adheres to the Hong Kong Convention and EU Ship Recycling Regulation. No ships were sold for recycling in 2024.

Klaveness is a member of the Maritime Anti-Corruption Network (MACN), a global business network seeking to eradicate corruption in shipping to facilitate free trade. Seven requests for facilitation payments were reported from KCC's fleet into MACN's anonymous reporting system in 2024.

People and Organization

Talented and dedicated people form the backbone of Klaveness. At the end of 2024, a total of almost 200 people representing 18 nationalities were employed across regional offices in Oslo, Singapore, Dubai, Manila and Tokyo. From January 2025, the organization is reduced to approx. 150 employees due to the sale of KSM and subsequent reorganization.

Klaveness stands for equal rights for all, irrespective of gender, gender identification, ethnicity, religion, sexual orientation, disability, or social status. All employment-related decisions are based on job-related factors such as relevant qualifications, merit, and performance. Salary and working conditions are linked to experience, seniority, and position regardless of gender, and jobs are mainly full-time.

Klaveness is seeking to increase the proportion of women employed company-wide, including in leadership positions, and aims to have both genders represented in final interviews for new positions. Women currently represent 48% of Klaveness' total workforce and 38% of Oslo personnel, while 36% of its managers are female on a global basis and 50% of the Board are women. Sick leave averaged a satisfactory 2.41% for the group in 2024 and working conditions are considered good. The company holds Directors & Officers (D&O) liability insurance.

The Business

Klaveness Combination Carriers (KCC), listed on the Oslo Stock Exchange and owned 53.8% by Klaveness, owns and operates a fleet of eight CABU and eight CLEANBU vessels and has three newbuilds under construction in China with delivery in 2026. The CABU combination carriers transport caustic soda solution (CSS) and all types of dry cargo. The CLEANBU vessels have wider trading potential as they can also transport clean petroleum products.

2024 was characterized by extreme market volatility, especially in the product tanker market, and continued geopolitical tensions, requiring sustained high attention to risk management, business ethics, and compliance procedures. With this backdrop, KCC delivered historically strong financial results. TCE earnings matched product tanker spot earnings at the peak of the market in the first half and outperformed the spot markets in a weaker second half, demonstrating the value of efficiency, flexibility, and diversification achieved by the combination carrier concept.

The CABU fleet continued to deliver strong time charter earnings supported by high caustic soda contract volumes, high trading efficiency with 94% of on-hire days in combination trades throughout the year, and only 11% of on-hire days in ballast.

Time charter earnings for the CLEANBU fleet hit another record in 2024. The fleet benefited from an exceptionally strong product tanker market in the first half of 2024, in which 80% of CLEANBU capacity was employed. The CLEANBU fleet continued to expand the number of customers and trades in 2024 and, during the year, re-entered the efficient combination trade between South American and the Middle East/India.

At year-end, Klaveness had 21 employees dedicated to KCC located in Oslo, Singapore and Dubai.

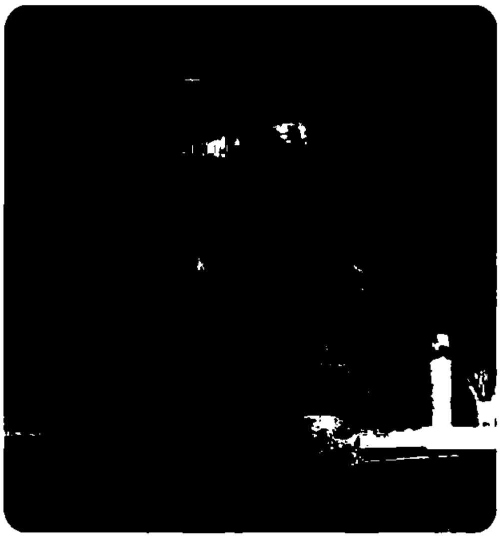
Klaveness Dry Bulk (KDB) is an operator and pool manager of around 60 dry bulk vessels in the Panamax, Kamsarmax and Post-Panamax segments. The operator business consists of a portfolio of cargo contracts of affreightment, time-chartered period vessels, and freight and fuel derivatives; delivering competitive transportation to cargo owners. The pool business, through Baumarine AS, aims to deliver service offerings that enable vessel owners to take control in optimizing their earnings while giving them greater flexibility. In addition to delivering spot earnings based on the Pool's performance, the Pool offers pool participants the option to convert freely between spot and fixed rate at any given time, in line with forward market levels. The product allows owners to take control of their market exposure in utilizing peaks to lock-in fixed earnings at present target levels.

Effective from January 1, 2024, Klaveness' joint venture partner in Maruklav, Japanese Marubeni Corporation, has acquired a minority stake of 25% in KDB. KDB has in 2024 also established a subsidiary in Tokyo, Japan, to further increase presence in this market.

In addition to being an operator and pool manager, KDB has developed a Software-as-a-Service (SaaS) platform incorporating extensive commercial expertise. The platform offers three core modules (Pre-Vetting, Port Predictor and Freight Optimizer), enabling its customers to create value through making better informed decisions when navigating the shipping markets. The platform was commercialized into product offerings in 2024, both gaining traction in the external market and contributing to internal decision-making. Towards the end of 2024, a project has been initiated to incorporate Market Manager into the organizational and technological platform in Klaveness Digital, while intellectual property ownership remains with KDB.

At year-end, Klaveness had 37 employees dedicated to KDB located in Oslo, Singapore, Tokyo, Manila and Dubai.

Klaveness Digital (KD) develops and markets 'CargoValue', a logistics platform for industrial companies sourcing and shipping raw materials by sea. CargoValue is a Software-as-a-Service (SaaS) solution that provides its customers with a 'digital twin' of their maritime supply chains. This innovative solution improves supply chain management by offering real-time visibility, enhancing transparency, and facilitating seamless collaboration among stakeholders engaged in the planning, scheduling, and production processes of supply chains. Annual Recurring Revenue (ARR) for the CargoValue product fell by 20% to USD 1.89 million in 2024 compared to year-end 2023. The decrease in ARR is linked to the highly competitive market the company operates in. Despite the reduction in ARR the company continues to invest in its products to increase the value proposition to customers and sees results in terms of an increased interest in multi-year contracts and upsells with existing customers. During 2023, KD implemented measures to reduce costs and reorganize both the technical and commercial teams, and in 2024 a decision was made to consolidate all commercial software initiatives in Klaveness under the KD umbrella. This includes the commercial shipping solution 'VesselConnect' developed by KSM and all personnel engaged in developing the Market Manager platform owned by KDB, as well as the CargoValue solution. The aim is to create a common platform to support all digital products, explore synergies between the services, and to strengthen the digital innovation funnel.



At year-end, Klaveness had 24 employees dedicated to Digital located in Oslo and Singapore.

Klaveness Ship Management (KSM) provides technical ship management, crewing, and vessel and cargo operations, with KDB and KCC as its main customers in 2024. Crewing is provided through the South African Maritime Training Academy (SAMTRA) as well as from the partly owned Klaveness Maritime Agency, Inc. in Manila (KMA) and Barklav in Romania - a joint venture with Wilhelmsen Ship Management serving several principals.

A sale of KSM to the global ship management company OSM Thome was announced in October 2024 and concluded in January 2025. The deal covered the ship management activities of KSM and the crewing agency KMA in Manila, and in parallel, KCC has entered into new ship management agreements for the full fleet with KSM under the new ownership. The agreement safeguards the continuity and integrated operating model of the technical management of the fleet, and the KSM team of dedicated professionals will continue to work exclusively for KCC. The highly specialized crewing pool will also continue to be dedicated to the KCC fleet. Project and commercial operations resources were employed directly in KCC from year-end 2024 while all affected employees in the ship management and crewing functions were offered new positions with the company's new owners.

There were no serious injuries, no spills, and no security incidents in 2024.

The average number of high-risk observations from OCIMF SIRE vetting inspections decreased from 0.6 in 2023 to 0.3 in 2024, better than the 2024 target of a maximum of 2. The total number of observations per inspection increased from 3.8 in 2023 to 5.0 in 2024. The increase in observations relates to the new SIRE 2.0 regime which started in September 2024, and a global/general increase in the average number of observations under the new regime is expected. The average number of deficiencies per Port State Control (PSC) increased from 1.3 in 2023 to 1.4 in 2024, above the target of 0.5. The fleet experienced one PSC detention in 2024. All deficiencies have been addressed and rectified across all vessels in the fleet.

Klaveness Holding provides group value by facilitating business synergies, supporting innovation, and providing a unified framework for compliance, risk management and internal controls; as well as exercising active ownership of strategic and financial investments. Klaveness Holding also delivers shared services to the industrial portfolio companies including Legal, Communications, HR, Finance, and IT. Klaveness' Manila-based subsidiary Klaveness Shore Services, with 36 employees at year-end, provides various corporate services, including accounting, KYC/risk services and commercial operations.

The financial investments in Klaveness Holding delivered good risk-adjusted returns in 2024. The various portfolios are actively managed according to the strategy and mandates approved by the Board. The financial portfolio consisting of equity-and fixed income funds delivered solid financial returns.

Other positions in certain financial instruments within shipping and energy also delivered as expected. In order to diversify further our exposure, we have made commitments towards real estate and secondary private equity. The financial markets developed positively in 2024 despite all uncertainties related to economic growth, rate cuts and geopolitical turmoil. US markets delivered another year of solid returns with S&P 500 increasing by 25%. The MSCI World increased by 18% in 2024. Klaveness had a solid cash position per year end.

Financial Results

Gross revenue from vessel operations was USD 409.1 million (2023: USD 434.0 million), with net revenue of USD 197.1 million (2023: USD 196.3 million) driven by fewer vessels in the Baumarine pool and less on-hire days, mainly on the CLEANBUs due to dry-docking. KCC achieved average TCE-earnings of $35,368/day in 2024, a minor increase from $34,983/day in 2023. Net revenue from KDB's portfolio of physical and financial freight agreements ended at USD 5.0 million versus USD 15.2 million in 2023, due to a weaker dry market and strategic positioning. KD achieved digital service revenues of USD 2.7 million, versus USD 2.4 million in 2023. In total, operating revenues were USD 207.0 million (2023: 220.1 million).

EBITDA ended at USD 114.8 million (2023: USD 122.9 million). Vessel operating expenses increased by USD 4 million from 2023. Operating expenses for the KCC vessels increased from the previous year due to general inflation, particularly on crew travel, spare parts, and service engineers, as well as increases due to intensified maintenance and added crew. 2024 EBIT ended at USD 80.3 million versus USD 85.7 million in 2023. Ordinary depreciation in 2024 of USD (34.5) million was somewhat lower then last year (USD (37.1) million), due some assets being fully depreciated.

The net result from financial items was USD (1.2) million (2023: USD 2.1 million), including interest expenses of USD (17.6) million (2023: USD (14.6) million) and interest income of USD 10.6 million (2023: USD 5.3 million). The business earned profits before tax (EBT) of USD 79.1 million (2023: USD 87.9 million) with net income after tax of USD 79.0 million (2023: USD 87.7 million).

Financial Position

At the end of 2024, consolidated equity including minority interests was USD 578.0 million (2023: USD 511.9 million), corresponding to a book equity ratio of 64% (2023: 59%). Book equity excluding minority interests was USD 410.0 million (2023: USD 358.4 million). Interest-bearing debt decreased from USD 258.3 million at end-2023 to USD 243.7 million at end-2024, mainly due to ordinary debt repayments in KCC. Klaveness held cash and bank deposits of USD 148.8 million at end-2024 (2023: USD 145.8 million) with other liquid financial investments of USD 120.8 million (2023: 81.9 million). Klaveness also had available undrawn revolving credit and overdraft facilities of USD 150 million (2023: USD 151 million).

Cash Flow

Net cash flow from operating activities was USD 106.8 million in 2024 (2023: USD 124.0 million), mainly driven by EBITDA of USD 114.8 million and net negative changes in working capital and financial portfolio of USD 29.6 million and interest received of USD 10.7 million.

Net cash flow from investing activities amounted to USD (23.1) million (2023: USD (35.8) million), mainly from costs associated with scheduled docking of vessels, investments in financial assets, and the sale of 25% of the ownership in Klaveness Dry Bulk AS to Marubeni.

Cash flow from financing activities amounted to USD (80.8) million (2023: USD (130.5) million) whereof the main items were dividends to minority interests of USD (36.3) million, interest paid of USD (19.8) million, and repayment of debt USD 27.2 million, partly offset by bond refinancing with a positive net effect of USD 6.3 million.

Financing

Klaveness at holding level is fully funded by equity, while any loan financing of the owned vessels is placed in the vessel owning company (KCC). Overdraft facilities are used to cover some short-term liquidity needs in parts of the group.

KCC's capital commitments for the next 12 months are fully funded, and the equity portion of the newbuild commitment has been secured. Debt to fund part of the newbuild investment will be secured closer to deliveries which is estimated to be Q1-Q3 2026. The refinancing risk is limited as no debt facilities fall due in 2025 except for a USD 8 million overdraft facility that is renewed on an annual basis.

In May 2024, KCC issued NOK 300 million in bonds in a tap issue under the KCC05 bond loan and the total outstanding amount under the KCC05 bond loan is NOK 800 million and falls due in Q3 2028. In July 2024, KCC exercised a call option to voluntarily early redeem all remaining outstanding bonds under KCC04, NOK 191.5 million in total. KCC's 364 days overdraft facility was renewed in December 2024 for another 364-day period with a total amount of USD 8 million (undrawn). At year-end 2024, KCC also had USD 115 million available and undrawn under a long-term revolving credit facility.

In KDB, two overdraft facilities each of USD 15 million covering working capital and general corporate purposes are renewed annually. Both facilities were renewed in Q1 2025. In Klaveness Finans, a NOK 100 million facility with DNB Bank is available upon request as needed on short notice. The facility can be drawn in various currencies.

Going Concern

Accounts are reported based on the premise of a going concern. The Board of Directors considers Klaveness' financial position at year-end 2024 as solid and liquidity as satisfactory. Klaveness' current cash flow, existing and committed debt, and liquidity position are considered sufficient to cover all approved commitments.

Risk and Risk Management

Klaveness' businesses are exposed to various risks. Risk assessment, monitoring and implementation of mitigating actions are performed daily and as part of periodic reviews and management's board participation in each business area. The Board's priorities are correct risk/reward assessments, acceptable risk levels and robust internal control routines.

The main **market risks** are changes in freight rates, fuel prices and vessel values, and counterparty credit risk. These risks are overseen according to procedures and mandates decided by the Board. Mandates for chartering and trading activity at KDB are regularly tested against extreme market scenarios to ensure capital and liquidity are sufficient to cover potential losses. Fuel price risk is mostly hedged through bunker adjustment factor clauses and fuel derivatives. Dry bulk market exposure is managed by combining Contracts of Affreightment with Time Charter contracts and Freight Forward Agreements, maintaining total financial exposure within risk limits approved by the Board.

Klaveness faces **commercial risks**, particularly on customer acceptance of combination carriers. Efforts are made to secure acceptance of existing vessels and the company works closely with customers to verify that new vessel concepts meet their requirements, including those of ports and terminals on relevant trade routes.

Financial risks are related to market fluctuations in equity and bond markets, exchange rates and interest rates, and market liquidity. The liquid financial portfolio is exposed primarily to global equities, but also to fixed-income markets. Most financial investments are highly liquid and diversified across sectors, geographies, and investment funds.

Investments in other currencies than USD are also exposed to FX risk. Furthermore, Klaveness has administrative costs in NOK, SGD, PHP and JPY, part of crew costs in EUR and port costs in several other currencies, while principally all income is USD-denominated.

The FX risk is considered acceptable given Klaveness' solid liquidity; hence no hedging is carried out. KCC is exposed to both interest and FX risk through debt financing and uses IRS and CCIRS instruments to hedge this exposure. Klaveness' liquidity risk is considered low. Current cash, available undrawn credit and projected operating cash flows are considered sufficient to cover commitments.

Operational risks are managed through formal and certified safety and quality management (KSM certified to ISO 9001, ISO 14001, & ISO 45001), control processes as well as training of seafarers and onshore employees. All employees attend in-house training to ensure compliance with applicable legislation and the Klaveness Code of Conduct. The organization is continuously learning from incidents and accidents through an improvement reporting system to develop procedures and training.

Environmental risks: Klaveness can be held liable for discharges of oil and hazardous substances under strict environmental regulations, regardless of culpability. Future environmental laws can also result in unpredictable costs for compliance.

Information security risks to business operations are on the rise, mainly due to more complex digital value chains with increased vulnerabilities. While digitalization has brought many benefits, it has also made companies more vulnerable. Protecting operational stability is vital for both Klaveness, the customers and other stakeholders. Therefore, Klaveness takes data and cyber security seriously, investing in best practices and technologies to safeguard data assets and business operations. The company works closely with renowned partners in this space. In 2024, Klaveness conducted a series of table-top cyber incident exercises involving all business units and most employees, and implemented a new system for employee training in detecting e-mail fraud.

Based on a risk assessment, the largest threat is considered cyber criminals searching for financial benefits from attacks. Monitoring shows that attack attempts mostly comes through phishing efforts and technical weaknesses. Information security efforts focus on these main attack vectors and are conducted in accordance with ISO27001 and relevant maritime standards, including IMO´s Cyber Security Regulations which address prevention, detection, response, and recovery from attacks.

Klaveness Digital manages data for multiple customers through the CargoValue application under contractual frameworks including Data Processing Agreements, Terms and Conditions and Service Level Agreements. Operational cyber security risk is managed through the Klaveness Digital Security & Risk Governance program encompassing a Disaster Recovery Plan and Cyber Incident Response Plan. Risk control measures are constantly refined and updated.

Klaveness Digital's solutions are protected by advanced security infrastructure powered by the Microsoft Azure Platform, with cyber security policy governed by the Centre for Internet Security (CIS) and National Institute of Standards and Technology (NIST) framework. Open Web Application Security Project (OWASP) guidelines are followed for best practice.

Klaveness adheres to core values, internal policies, and applicable legislation to manage exposure to **compliance risks** through complex global operations across different jurisdictions. A Board-approved Compliance Program, implemented by the Chief Legal and Compliance Officer, outlines policy guidelines including Code of Conduct, Anti-Corruption and Business Ethics, Whistleblowing, Competition Law, and Personal Data Protection, among others. Company-wide training is held continuously, including compliance seminars and online courses.

A dedicated KYC (Know Your Counterparty) team performs risk rating and due diligence checks on counterparties. Klaveness' definitive Counterparty Code of Conduct applies to all our contractual relationships.

Outlook

After a seasonally weak start of 2025, the dry bulk market is expected to strengthen into the upcoming South American grain season starting in March. While dry bulk demand outlook in South Asia is positive, there are more risks to Chinese dry bulk demand in 2025. Both Chinese iron ore and coal inventories are high and tight financing conditions might impact the dry bulk market negatively. The dry bulk order book, however, remains at historically low levels, supporting the supply-demand balance going forward.

Average clean tanker earnings for the full year of 2025 are expected to soften compared to the record-strong earnings in 2024. While market fundamentals continue to be relatively strong, there are large uncertainties following high geopolitical and macroeconomic risks. Oil demand and production is expected to continue to grow, supporting demand for seaborne transportation of oil products. The main risks to the product tanker market balance are linked to increased fleet growth, lower ton-mile demand growth from a potential resolution to the Red Sea disruption and the war in Ukraine, and a possible continued or deepening slowdown in China. While the effects of US tariffs are uncertain, it is likely that ton-mile demand will increase due to more trading inefficiencies.

Events After the Balance Sheet Date

On January 1, 2025, OSM Offshore AS purchased and took ownership of 100% of the shares in Klaveness Ship Management (KSM). OSM Thome has in 2025 established an office in Oslo at Torvald Klaveness headquarters to handle the ship management for Klaveness Combination Carriers ASA (KCC).

There are no other events after the balance sheet date that have material effect on the financial statement as of 31 December 2024.

The Parent Company

Rederiaksjeselskapet Torvald Klaveness' registered business address is Drammensveien 260, 0283 Oslo, Norway. The parent company earned a profit after tax of USD 28.9 million for 2024 (2023 USD 30.2 million). The proposed transfer of the profit for the parent company is shown below:

Transfer to other equity: USD 28.9 million

The Board expresses its appreciation for the good work of all employees during 2024.

Rederiaksjeselskapet Torvald Klaveness
Oslo, 27 March 2025

Trond Harald Klaveness
Chair

Christian Rynning-Tønnesen
Board Member

Elisabeth Heggelund Tørstad
Board Member

Ernst André Meyer
Chief Executive Officer

Rebekka Glassser Herlofsen
Board Member

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Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

To the General Meeting in Rederiaksjeselskapet Torvald Klaveness

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Rederiaksjeselskapet Torvald Klaveness (the Company) which comprise:

- The financial statements of the company, which comprise the balance sheet as at 31 December 2024, 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, and
- The consolidated financial statements of the group, which comprise the balance sheet as at 31 December 2024, the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the group as at 31 December 2024 and its financial performance and 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 and the Group in accordance with the requirements of the 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 Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises Key Figures and CEO's Letter. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

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

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

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

Responsibilities of management for the financial statements

Management is responsible for the preparation of the 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 27 March 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Johan Lid Nordby
State Authorised Public Accountant (Norway)

PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Nordby, Johan Lid
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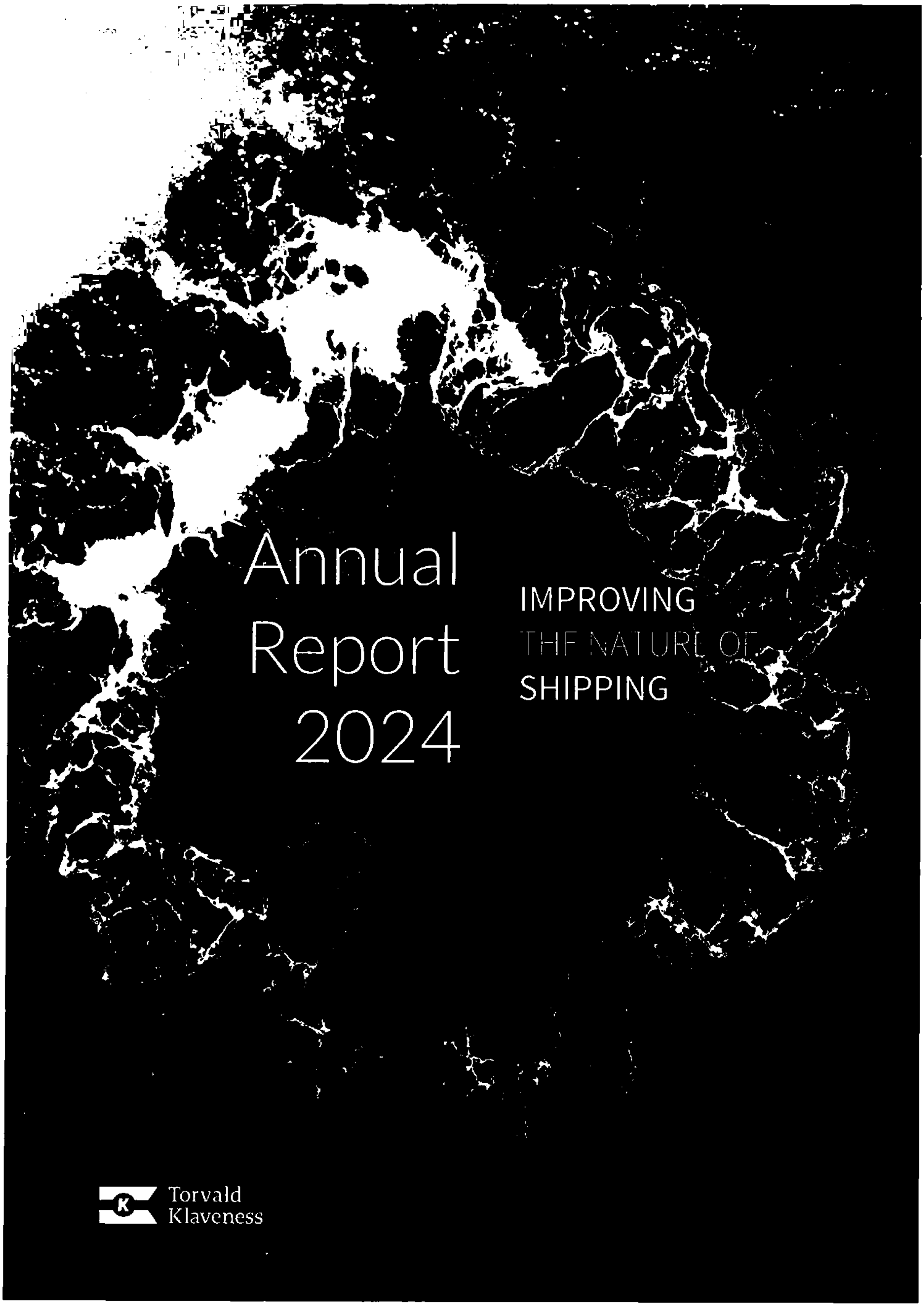
IP: 147.161.xxx.xxx
2025-03-27 14:00:46 UTC

bankID

Penneo Dokumentnøkkel: P2G3A-IRY5F-FE1BG-Q6VOG-YSFOD-KGDKD


Annual
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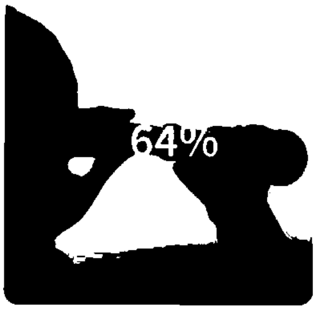
Key Figures

Equity



EBT (Earnings Before Tax - MUSD)

Number of vessels

USD million	2024	2023	2022
Profit and loss			
Gross operating revenues [1]	409	434	477
EBITDA	115	123	116
Profit/(loss) after tax (excl. minority interests)	42	48	37
Profit/(loss) after tax (incl. minority interests)	79	88	65
Balance sheet			
Total assets	902	873	883
Total equity (incl. minority interests)	578	512	448
Total equity (excl. minority interests)	410	358	324
Interest-bearing debt	244	258	326
Cash and cash equivalents	149	146	188
Cash flow from investing activities			
Net cash flow from investing activities	(23)	(36)	(16)
Equity ratios			
Equity ratios (excl. minority interests)	45 %	41 %	37 %
Equity ratios (incl. minority interests)	64 %	59 %	51 %
Employees			
Number of employees onshore [2]	203	221	184
Vessels [3]			
Pool vessels	25	28	30
Klaveness chartering - chartered vessels	30	41	27
Combination carriers	16	16	16
Vessels under construction	3	3	-

[1] *Income/loss from physical and financial freight.*
[2] *Number of employees at year end for Oslo, Singapore, Manila and Tokyo.*
[3] *Per year-end. Vessels hired in on spot voyages are not included.*

CEO's Letter

Delivering food, energy, and metals to the world

Ernst Meyer

While 2024 has been another strong year for Klaveness with zero accidents and profits before tax of USD 79.1 million , we cannot ignore the deep and ongoing challenges stress testing the world and our industry. At Klaveness, we remain steadfast in our decision to halt all Russian trading after their attack on Ukraine. With a long history of transporting grain and minerals from Black Sea ports, we continue to closely monitor the situation. We feel deeply for those affected by war, and have once again contributed nearly $2 million to organizations providing humanitarian aid to Ukrainian soldiers through Fritt Ukraina and HMM Helsehjelp.

Amid ongoing conflicts and rising tensions, maritime supply chains face new risks, including those leading to significant sailing restrictions in the Black Sea and Red Sea. Trade wars, with its subsequent inflationary pressures, and high interest rates could further disrupt global trade and hinder progress toward the UN's sustainability goals. Adding to these challenges are the brewing sanctions targeting Chinese content in shipping which risk further complicating global trade dynamics. While we hope critical tipping points to trigger a global financial crisis will not be reached in 2025, we must be prepared for any challenges ahead.

However, the biggest long-term challenge for maritime supply chains is providing enough tonnage to meet global demand for necessity goods such as food, energy and metal, while simultaneously meeting the industry's decarbonization goals. The IMO 2050 goals are likely to shorten the traditional 20 to 25-year economic lifetime of ships delivered after 2030. This will be the case unless significant CAPEX is invested to prepare them for carbon-neutral propulsion—with the assumption that the fuel prepared will become available at scale.

Regardless of these challenges, shipping remains the lifeblood of global trade. At Klaveness, we believe that achieving a sustainable shipping industry goes beyond fuel, energy efficiency, and voyage optimization. We see the vast potential in using innovation, collaboration, and digitalization to unlock trading efficiency—not just to meet our business goals, but to drive the industry toward a more sustainable future by:

- Selecting the right vessel for the right voyage at the right time
- Eliminating practices that cause ships to wait unnecessarily before loading and unloading
- Maximizing vessel utilization
- Optimizing trade routes to minimize ballast legs

While remaining committed to our values, we are ready for the challenge and strive to demonstrate how, together, we can improve the nature of shipping by making seaborne supply chains resilient to shocks, decarbonized, and cost-effective.

At Klaveness our strategy is built around delivering world-class freight and logistics services to industrial cargo owners. These services include physical freight—delivered either by our unique combination carriers through KCC, or by Kamsarmax vessels chartered in by Klaveness Dry Bulk. Baumarine delivers pool solutions to shipowners, while Klaveness Digital provides innovative software solutions that enable cargo owners to make better freight and supply chain decisions.

To sharpen our focus and support future growth, we made two significant decisions in 2024 signalling a new chapter in the company's strategic direction. Firstly, we sold Klaveness Ship Management to OSM Thome allowing us to obtain ship management at scale for our KCC fleet, and allocate more attention to our core growth areas. Secondly, we consolidated our group-wide digital solutions teams under Klaveness Digital — a company set to grow both organically and through M&A in the years ahead.

Our investment capacity has grown considerably in the recent years, fuelled by strong returns from both operations and financial investments. Today, our diversified financial portfolio spans fixed-income, equity funds, real estate, and opportunistic investments in shipping and energy. Looking ahead, the investment base remains open to strategic opportunities that can further strengthen our industrial portfolio and support our vision to Improve the Nature of Shipping.

Board of Directors

Trond Harald Klaveness

Norwegian national, born 1964.
Elected to the Board of Directors in 2011.

- Controlling shareholder of Torvald Klaveness, with six years as CEO and 20 years in total working for the company.
- Prior to Klaveness, held several positions within shipping in the US and USSR.
- Business degree from Boston University.

Christian Rynning-Tønnesen

Norwegian national, born 1959.
Elected to the Board of Directors in 2005.

- CEO of ICP Infrastructure.
- Former CEO of Statskraft and Norske Skog.
- Engineering degree from the Norwegian University of Science and Technology (NTNU).

Rebekka Glasser Herlofsen

Norwegian national, born 1970.
Elected to the Board of Directors in 2022.

- Independent consultant, investor and board professional.
- 25+ years experience in shipping and finance, inc. former CFO of Torvald Klaveness.
- Business degree from Norwegian School of Economics (NHH) and certified financial analyst.

Elisabeth Tørstad

Norwegian national, born 1965.
Elected to the Board of Directors in 2023.

- CEO of Asplan Viak.
- 25+ years experience in shipping and energy, inc. CEO positions in DNV GL subsidiaries.
- MSc in Physics from the University of Oslo, qualifications in technology transformation and digital strategy from University of California and INSEAD.

Director's Report 2024

Highlights

At Klaveness, "Always Safe and Secure" remains our top priority. In 2024, the company continued to uphold its robust safety, security, and environmental standards with no serious injuries, accidents, or marine spills.

Klaveness' strategic ambition is to '*make seaborne supply chains resilient, decarbonized, and cost-effective*' towards its vision of '*improving the nature of shipping*'. The industrial portfolio companies and the Holding team of Klaveness work both individually and collaboratively to realize this vision. Through the fleet of combination carriers owned by Klaveness Combination Carriers ASA (KCC), increased market diversification and trading efficiency are achieved through switching between wet and dry cargoes, while the Klaveness Dry Bulk (KDB) trading model is designed to take advantage of market volatility in both high and low markets. Digital services add to the company's service portfolio enabling customers to make better commercial decisions within supply chain optimization and freight. Profits from financial investments continue to provide a solid investment base for the group. Despite increasingly challenging markets and geopolitical turmoil, Klaveness delivered another financially and operationally strong year in 2024.

Average TCE spot earnings for Panamax dry-bulk vessels were approximately $14,700/day in 2024, up from approximately $12,600/day in 2023. The first quarter, often seasonally weak, was stronger than expected driven up by trading restrictions in the Red Sea due to the Gaza-war and positive tonne-mile effects stemming from the drought in the Panama Canal. Markets weakened in the second half of the year, due to normalization of the Panama canal and low Chinese demand for North American grain, as well as low European demand for coal in a time of lower than normal industrial activity and an improving energy balance.

The product tanker market continued to strengthen in the beginning of 2024 from already elevated levels, emphasized by the above mentioned situation in the Red Sea and the resulting increased sailing distances. However, in the last three quarters of the year product tanker earnings fell back, facing unexpected competition from VLCCs that were cleaned and used in the product market - this in a situation with unusually high spreads between the crude and product markets caused by weaker oil demand and weak refinery margins. The normal seasonally strong winter market, which typically starts in the fourth quarter, failed to materialize.

Klaveness Combination Carriers (KCC) is the global leader in combination carriers. KCC strives to solve inefficiencies by maximizing the utilization of its fleet and by minimizing ballast between the laden voyages through consecutively switching between dry and wet cargo shipments. The fleet size in KCC will be upheld by three new vessels that were ordered in 2023 with delivery expected 2026. The fleet of 16 vessels in operations with 3 vessels under construction has been managed in-house by **Klaveness Ship Management (KSM)**. An agreement to sell KSM to OSM Thome, a global leader in ship management, was announced in October 2024 and concluded in January 2025. KSM will continue to deliver management to the KCC fleet exclusively under the new ownership.

Klaveness Dry Bulk (KDB) is an operator and pool manager in the dry bulk segment operating a fleet of around 60 vessels in the Panamax, Kamsarmax and Post-Panamax segments. After three years as joint partners of the Baumarine by Maruklav pool, the Japanese Marubeni Corporation acquired a 25% stake in KDB with effect from January 1 2024, underscoring both parties' commitment to transforming the shipping industry through innovation. In 2024, Klaveness has further developed its presence in Japan with the opening of a new office located in Tokyo. The Software-as-a-Service (SaaS) platform Market Manager offered by KDB to optimize the freight decisions of cargo owners and operators has gained further traction in the market through 2024 acquiring several new customers.

Klaveness Digital (KD) provides the SaaS solution CargoValue for seaborne supply chain management to industrial customers. In 2024, Klaveness has launched a strategic initiative to consolidate all commercial software initiatives under the KD umbrella to further explore product synergies, increase focus on innovative processes, and strengthen the operational base for digital services.

Klaveness is organized as a holding company **(Klaveness Holding)** with a corporate management team executing active ownership of the existing portfolio of companies, driving new strategic and opportunistic investments, and actively managing a portfolio of liquid financial investments. The portfolio companies are governed through dedicated boards, comprising both internal and external board members to drive strategic and commercial development.

The wars in Ukraine and Gaza continue to impact how Klaveness operates. The company has suspended all commercial activities with Russian- and Belarusian - owned companies and excluded all Russian ports from permitted trading areas. In early 2024, Klaveness made a decision to not trade its own vessels through the Red Sea until the war-like situation in the area improves. Klaveness follows the situations closely and is deeply moved by the plight of the people affected by wars, donating USD 1.8 million from its 2024 revenue to organizations providing humanitarian aid in Ukraine and other parts of the world.

Health and Safety

Klaveness prioritizes safety with a clear and robust safety policy focused on the working environment and well-being of the seafarers to support mental and physical health. There were no serious injuries in 2024, however one high-risk potential accident was registered (compared to two in 2023). Potential accidents and incidents including near-misses are registered to learn and improve operational performance to prevent future serious accidents. Results over the recent year's since KSM's safety culture program KLASS (Klaveness Always Safe and Secure) was established in 2020 are encouraging.

Lost Time Injury Frequency (LTIF) for the KCC fleet in 2024 was 0.3, up from zero in 2023, but within the KCC target of <0.5 and below average in Intertanko's benchmarking system (0.43). The development is likely partly a result of KLASS initiatives and a continuous high focus on safety through management activities and regular inspections. The KLASS program is integrated between shore and sea and has been mandatory for all seafarers since 2020.

Merchant vessels are exposed to seizures in the Arabian/Persian Gulf and the Gulf of Oman and through 2024 merchant vessels have experienced aggressive approaches by a variety of means. The piracy risk in Persian Gulf/Gulf of Oman/Gulf of Aden has subdued over the last years; however, 2024 saw an increase of armed robberies and suspected piracy attempts off the Somali coast.

As a result, in November 2024, Den Norske Krigsforsikring for Skib (DNK) increased the threat level for Hijack or Kidnap-for-Ransom (K&R) towards merchant vessels in the Western Indian Ocean from the Somali shore out to 600 nautical miles from low to moderate. In the Singapore Strait, different criminal groups operating in these waters have continued to target merchant vessels.

No serious security incidents, suspicious approaches or boarding attempts were reported on Klaveness-managed vessels in 2024. Security threats are continuously monitored and intelligence reports from DNK are shared across the fleet to create and increase awareness.

No Klaveness vessels have traded in the Black Sea under a corporate policy due to war risk.

Sustainability

Sustainability is a core pillar in the Klaveness strategy of making seaborne supply chains resilient, decarbonized, and cost-effective. Klaveness aims to reduce carbon emissions through trading efficiency in addition to energy efficiency, voyage optimization and in preparing for future fuel technologies.

Decarbonization continues to be the centrepiece of KCC's strategy, and KCC presented an updated Environmental Strategy

in March 2023 reconfirming the company's commitment to deliver large reductions in the carbon footprint of the combination carrier business over the coming years. The ambition is to reduce the carbon intensity measured by Energy Efficiency Operational Indicator (EEOI) by 45% by 2030 year-end compared to 2018 for the combination carriers fleet. KCC continued in 2024 to focus on reducing the emissions of the operations through trading efficiency, voyage efficiency, and through investing in energy efficiency measures. The portfolio of energy efficiency measures was expanded with suctions sails to be installed on one of the 2026 newbuild vessels. However, the decarbonization performance did not meet its overall target for the year. The carbon intensity (EEOI) of the fleet was up from 6.5 in 2023 to 6.6 in 2024, slightly above the target of 6.4, mainly due to the less optimal trading of the CLEANBU fleet in a market with high spreads between dry and wet.

In terms of environmental impact, bulk shipping is the most efficient way of transporting industrial commodities. Nevertheless, the shipping industry has a significant environmental footprint both globally and locally. All dry bulk vessels operated by Klaveness Dry Bulk are chartered in and the responsibility for their technical condition remains with the owners of these vessels.

As of January 1, 2024, the EU Emissions Trading System (EU ETS) was extended to cover CO2 emissions from all ships (of 5,000 gross tonnage and above) entering EU ports. For voyages in and out of the EU, shipowners will need to surrender emission allowances for 50% of the reported CO_2 emissions, and for voyages within the EU, 100% of emissions are in scope.

As of January 1, 2025, the EU FuelEU Maritime Regulation came into effect, requiring large ships calling at EU ports to progressively reduce the greenhouse gas (GHG) intensity of the energy they use. Targets will ensure that the greenhouse gas intensity of fuels used in the sector will gradually decrease over time, starting with a 2% decrease in 2025 and reaching up to an 80% reduction by 2050.

Klaveness' exposure to both EU ETS and FuelEU regulations is limited due to the low share of trading on EU ports, however, fuel and/or emission regulations are likely to increase fuel costs in the future. It is likely that IMO will implement a global carbon pricing mechanism from 2027.

In 2022, the EU published the Corporate Sustainability Reporting Directive (CSRD), followed by the European Sustainability Reporting Standards (ESRS) in 2023. The regulations were implemented in Norwegian law in 2024, and Klaveness at both group level and through KCC was obliged to report from 2025 onwards. In 2024, the group has carried out Double Materiality Analyses at both levels, and KCC has published a sustainability statement as part of their annual report for 2024 structured in preparation for compliance with CSRD (KCC Annual Report 2024). On February 27, 2025, the EU has through the Omnibus project signalled a rollback of the CSRD reporting requirements and if the amended regulations come into force, Klaveness will no longer be in scope. The Board will consider Klaveness' scope of sustainability reporting in light of the new regulations once finalized.

The Transparency Act covers all global activities in the group. As all companies within Klaveness are covered by common policies, governance, compliance programme and due diligence, a shared statement has been published on Klaveness' website (Transparency Act). A heatmap identifying high-risk areas for human rights violations and sub-standard working conditions based on geographical areas and activities/value chains has been established in 2022 and revised in 2024. Based on the heatmap, additional due diligence checks are performed whenever high degrees of risk are involved. The main focus in 2024 has been on updating the heatmap, as well as providing training on sanctions and KYC routines for employees on the KYC-team.

The Sea Cargo Charter, of which both Torvald Klaveness and KCC are founding signatories, represents about 17% of total seaborne bulk cargo (2022). In 2024, Torvald Klaveness decided to join Global Maritime Forum while KCC will maintain its work and membership in Sea Cargo Charter. Sea Cargo Charter is an offspring of Global Maritime Forum, an independent not-for-profit organisation with a focus on decarbonizing the maritime industry and making life at sea more inclusive and appealing to people of all backgrounds.

Klaveness adheres to the Hong Kong Convention and EU Ship Recycling Regulation. No ships were sold for recycling in 2024.

Klaveness is a member of the Maritime Anti-Corruption Network (MACN), a global business network seeking to eradicate corruption in shipping to facilitate free trade. Seven requests for facilitation payments were reported from KCC's fleet into MACN's anonymous reporting system in 2024.

People and Organization

Talented and dedicated people form the backbone of Klaveness. At the end of 2024, a total of almost 200 people representing 18 nationalities were employed across regional offices in Oslo, Singapore, Dubai, Manila and Tokyo. From January 2025, the organization is reduced to approx. 150 employees due to the sale of KSM and subsequent reorganization.

Klaveness stands for equal rights for all, irrespective of gender, gender identification, ethnicity, religion, sexual orientation, disability, or social status. All employment-related decisions are based on job-related factors such as relevant qualifications, merit, and performance. Salary and working conditions are linked to experience, seniority, and position regardless of gender, and jobs are mainly full-time.

Klaveness is seeking to increase the proportion of women employed company-wide, including in leadership positions, and aims to have both genders represented in final interviews for new positions. Women currently represent 48% of Klaveness' total workforce and 38% of Oslo personnel, while 36% of its managers are female on a global basis and 50% of the Board are women. Sick leave averaged a satisfactory 2.41% for the group in 2024 and working conditions are considered good. The company holds Directors & Officers (D&O) liability insurance.

The Business

Klaveness Combination Carriers (KCC), listed on the Oslo Stock Exchange and owned 53.8% by Klaveness, owns and operates a fleet of eight CABU and eight CLEANBU vessels and has three newbuilds under construction in China with delivery in 2026. The CABU combination carriers transport caustic soda solution (CSS) and all types of dry cargo. The CLEANBU vessels have wider trading potential as they can also transport clean petroleum products.

2024 was characterized by extreme market volatility, especially in the product tanker market, and continued geopolitical tensions, requiring sustained high attention to risk management, business ethics, and compliance procedures. With this backdrop, KCC delivered historically strong financial results. TCE earnings matched product tanker spot earnings at the peak of the market in the first half and outperformed the spot markets in a weaker second half, demonstrating the value of efficiency, flexibility, and diversification achieved by the combination carrier concept.

The CABU fleet continued to deliver strong time charter earnings supported by high caustic soda contract volumes, high trading efficiency with 94% of on-hire days in combination trades throughout the year, and only 11% of on-hire days in ballast.

Time charter earnings for the CLEANBU fleet hit another record in 2024. The fleet benefited from an exceptionally strong product tanker market in the first half of 2024, in which 80% of CLEANBU capacity was employed. The CLEANBU fleet continued to expand the number of customers and trades in 2024 and, during the year, re-entered the efficient combination trade between South American and the Middle East/India.

At year-end, Klaveness had 21 employees dedicated to KCC located in Oslo, Singapore and Dubai.

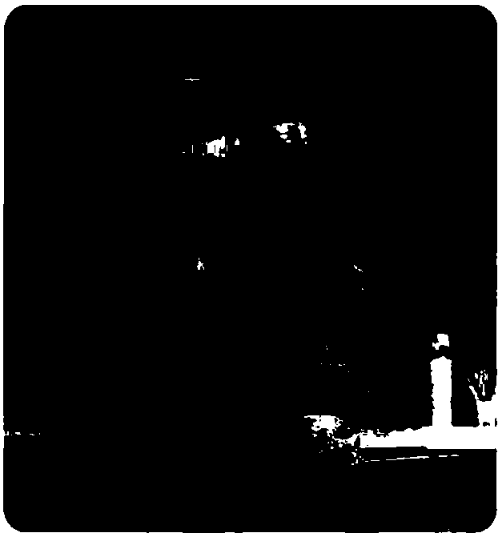
Klaveness Dry Bulk (KDB) is an operator and pool manager of around 60 dry bulk vessels in the Panamax, Kamsarmax and Post-Panamax segments. The operator business consists of a portfolio of cargo contracts of affreightment, time-chartered period vessels, and freight and fuel derivatives; delivering competitive transportation to cargo owners. The pool business, through Baumarine AS, aims to deliver service offerings that enable vessel owners to take control in optimizing their earnings while giving them greater flexibility. In addition to delivering spot earnings based on the Pool's performance, the Pool offers pool participants the option to convert freely between spot and fixed rate at any given time, in line with forward market levels. The product allows owners to take control of their market exposure in utilizing peaks to lock-in fixed earnings at present target levels.

Effective from January 1, 2024, Klaveness' joint venture partner in Maruklav, Japanese Marubeni Corporation, has acquired a minority stake of 25% in KDB. KDB has in 2024 also established a subsidiary in Tokyo, Japan, to further increase presence in this market.

In addition to being an operator and pool manager, KDB has developed a Software-as-a-Service (SaaS) platform incorporating extensive commercial expertise. The platform offers three core modules (Pre-Vetting, Port Predictor and Freight Optimizer), enabling its customers to create value through making better informed decisions when navigating the shipping markets. The platform was commercialized into product offerings in 2024, both gaining traction in the external market and contributing to internal decision-making. Towards the end of 2024, a project has been initiated to incorporate Market Manager into the organizational and technological platform in Klaveness Digital, while intellectual property ownership remains with KDB.

At year-end, Klaveness had 37 employees dedicated to KDB located in Oslo, Singapore, Tokyo, Manila and Dubai.

Klaveness Digital (KD) develops and markets 'CargoValue', a logistics platform for industrial companies sourcing and shipping raw materials by sea. CargoValue is a Software-as-a-Service (SaaS) solution that provides its customers with a 'digital twin' of their maritime supply chains. This innovative solution improves supply chain management by offering real-time visibility, enhancing transparency, and facilitating seamless collaboration among stakeholders engaged in the planning, scheduling, and production processes of supply chains. Annual Recurring Revenue (ARR) for the CargoValue product fell by 20% to USD 1.89 million in 2024 compared to year-end 2023. The decrease in ARR is linked to the highly competitive market the company operates in. Despite the reduction in ARR the company continues to invest in its products to increase the value proposition to customers and sees results in terms of an increased interest in multi-year contracts and upsells with existing customers. During 2023, KD implemented measures to reduce costs and reorganize both the technical and commercial teams, and in 2024 a decision was made to consolidate all commercial software initiatives in Klaveness under the KD umbrella. This includes the commercial shipping solution 'VesselConnect' developed by KSM and all personnel engaged in developing the Market Manager platform owned by KDB, as well as the CargoValue solution. The aim is to create a common platform to support all digital products, explore synergies between the services, and to strengthen the digital innovation funnel.



At year-end, Klaveness had 24 employees dedicated to Digital located in Oslo and Singapore.

Klaveness Ship Management (KSM) provides technical ship management, crewing, and vessel and cargo operations, with KDB and KCC as its main customers in 2024. Crewing is provided through the South African Maritime Training Academy (SAMTRA) as well as from the partly owned Klaveness Maritime Agency, Inc. in Manila (KMA) and Barklav in Romania - a joint venture with Wilhelmsen Ship Management serving several principals.

A sale of KSM to the global ship management company OSM Thome was announced in October 2024 and concluded in January 2025. The deal covered the ship management activities of KSM and the crewing agency KMA in Manila, and in parallel, KCC has entered into new ship management agreements for the full fleet with KSM under the new ownership. The agreement safeguards the continuity and integrated operating model of the technical management of the fleet, and the KSM team of dedicated professionals will continue to work exclusively for KCC. The highly specialized crewing pool will also continue to be dedicated to the KCC fleet. Project and commercial operations resources were employed directly in KCC from year-end 2024 while all affected employees in the ship management and crewing functions were offered new positions with the company's new owners.

There were no serious injuries, no spills, and no security incidents in 2024.

The average number of high-risk observations from OCIMF SIRE vetting inspections decreased from 0.6 in 2023 to 0.3 in 2024, better than the 2024 target of a maximum of 2. The total number of observations per inspection increased from 3.8 in 2023 to 5.0 in 2024. The increase in observations relates to the new SIRE 2.0 regime which started in September 2024, and a global/general increase in the average number of observations under the new regime is expected. The average number of deficiencies per Port State Control (PSC) increased from 1.3 in 2023 to 1.4 in 2024, above the target of 0.5. The fleet experienced one PSC detention in 2024. All deficiencies have been addressed and rectified across all vessels in the fleet.

Klaveness Holding provides group value by facilitating business synergies, supporting innovation, and providing a unified framework for compliance, risk management and internal controls; as well as exercising active ownership of strategic and financial investments. Klaveness Holding also delivers shared services to the industrial portfolio companies including Legal, Communications, HR, Finance, and IT. Klaveness' Manila-based subsidiary Klaveness Shore Services, with 36 employees at year-end, provides various corporate services, including accounting, KYC/risk services and commercial operations.

The financial investments in Klaveness Holding delivered good risk-adjusted returns in 2024. The various portfolios are actively managed according to the strategy and mandates approved by the Board. The financial portfolio consisting of equity-and fixed income funds delivered solid financial returns.

Other positions in certain financial instruments within shipping and energy also delivered as expected. In order to diversify further our exposure, we have made commitments towards real estate and secondary private equity. The financial markets developed positively in 2024 despite all uncertainties related to economic growth, rate cuts and geopolitical turmoil. US markets delivered another year of solid returns with S&P 500 increasing by 25%. The MSCI World increased by 18% in 2024. Klaveness had a solid cash position per year end.

Financial Results

Gross revenue from vessel operations was USD 409.1 million (2023: USD 434.0 million), with net revenue of USD 197.1 million (2023: USD 196.3 million) driven by fewer vessels in the Baumarine pool and less on-hire days, mainly on the CLEANBUs due to dry-docking. KCC achieved average TCE-earnings of $35,368/day in 2024, a minor increase from $34,983/day in 2023. Net revenue from KDB's portfolio of physical and financial freight agreements ended at USD 5.0 million versus USD 15.2 million in 2023, due to a weaker dry market and strategic positioning. KD achieved digital service revenues of USD 2.7 million, versus USD 2.4 million in 2023. In total, operating revenues were USD 207.0 million (2023: 220.1 million).

EBITDA ended at USD 114.8 million (2023: USD 122.9 million). Vessel operating expenses increased by USD 4 million from 2023. Operating expenses for the KCC vessels increased from the previous year due to general inflation, particularly on crew travel, spare parts, and service engineers, as well as increases due to intensified maintenance and added crew. 2024 EBIT ended at USD 80.3 million versus USD 85.7 million in 2023. Ordinary depreciation in 2024 of USD (34.5) million was somewhat lower then last year (USD (37.1) million), due some assets being fully depreciated.

The net result from financial items was USD (1.2) million (2023: USD 2.1 million), including interest expenses of USD (17.6) million (2023: USD (14.6) million) and interest income of USD 10.6 million (2023: USD 5.3 million). The business earned profits before tax (EBT) of USD 79.1 million (2023: USD 87.9 million) with net income after tax of USD 79.0 million (2023: USD 87.7 million).

Financial Position

At the end of 2024, consolidated equity including minority interests was USD 578.0 million (2023: USD 511.9 million), corresponding to a book equity ratio of 64% (2023: 59%). Book equity excluding minority interests was USD 410.0 million (2023: USD 358.4 million). Interest-bearing debt decreased from USD 258.3 million at end-2023 to USD 243.7 million at end-2024, mainly due to ordinary debt repayments in KCC. Klaveness held cash and bank deposits of USD 148.8 million at end-2024 (2023: USD 145.8 million) with other liquid financial investments of USD 120.8 million (2023: 81.9 million). Klaveness also had available undrawn revolving credit and overdraft facilities of USD 150 million (2023: USD 151 million).

Cash Flow

Net cash flow from operating activities was USD 106.8 million in 2024 (2023: USD 124.0 million), mainly driven by EBITDA of USD 114.8 million and net negative changes in working capital and financial portfolio of USD 29.6 million and interest received of USD 10.7 million.

Net cash flow from investing activities amounted to USD (23.1) million (2023: USD (35.8) million), mainly from costs associated with scheduled docking of vessels, investments in financial assets, and the sale of 25% of the ownership in Klaveness Dry Bulk AS to Marubeni.

Cash flow from financing activities amounted to USD (80.8) million (2023: USD (130.5) million) whereof the main items were dividends to minority interests of USD (36.3) million, interest paid of USD (19.8) million, and repayment of debt USD 27.2 million, partly offset by bond refinancing with a positive net effect of USD 6.3 million.

Financing

Klaveness at holding level is fully funded by equity, while any loan financing of the owned vessels is placed in the vessel owning company (KCC). Overdraft facilities are used to cover some short-term liquidity needs in parts of the group.

KCC's capital commitments for the next 12 months are fully funded, and the equity portion of the newbuild commitment has been secured. Debt to fund part of the newbuild investment will be secured closer to deliveries which is estimated to be Q1-Q3 2026. The refinancing risk is limited as no debt facilities fall due in 2025 except for a USD 8 million overdraft facility that is renewed on an annual basis.

In May 2024, KCC issued NOK 300 million in bonds in a tap issue under the KCC05 bond loan and the total outstanding amount under the KCC05 bond loan is NOK 800 million and falls due in Q3 2028. In July 2024, KCC exercised a call option to voluntarily early redeem all remaining outstanding bonds under KCC04, NOK 191.5 million in total. KCC's 364 days overdraft facility was renewed in December 2024 for another 364-day period with a total amount of USD 8 million (undrawn). At year-end 2024, KCC also had USD 115 million available and undrawn under a long-term revolving credit facility.

In KDB, two overdraft facilities each of USD 15 million covering working capital and general corporate purposes are renewed annually. Both facilities were renewed in Q1 2025. In Klaveness Finans, a NOK 100 million facility with DNB Bank is available upon request as needed on short notice. The facility can be drawn in various currencies.

Going Concern

Accounts are reported based on the premise of a going concern. The Board of Directors considers Klaveness' financial position at year-end 2024 as solid and liquidity as satisfactory. Klaveness' current cash flow, existing and committed debt, and liquidity position are considered sufficient to cover all approved commitments.

Risk and Risk Management

Klaveness' businesses are exposed to various risks. Risk assessment, monitoring and implementation of mitigating actions are performed daily and as part of periodic reviews and management's board participation in each business area. The Board's priorities are correct risk/reward assessments, acceptable risk levels and robust internal control routines.

The main **market risks** are changes in freight rates, fuel prices and vessel values, and counterparty credit risk. These risks are overseen according to procedures and mandates decided by the Board. Mandates for chartering and trading activity at KDB are regularly tested against extreme market scenarios to ensure capital and liquidity are sufficient to cover potential losses. Fuel price risk is mostly hedged through bunker adjustment factor clauses and fuel derivatives. Dry bulk market exposure is managed by combining Contracts of Affreightment with Time Charter contracts and Freight Forward Agreements, maintaining total financial exposure within risk limits approved by the Board.

Klaveness faces **commercial risks**, particularly on customer acceptance of combination carriers. Efforts are made to secure acceptance of existing vessels and the company works closely with customers to verify that new vessel concepts meet their requirements, including those of ports and terminals on relevant trade routes.

Financial risks are related to market fluctuations in equity and bond markets, exchange rates and interest rates, and market liquidity. The liquid financial portfolio is exposed primarily to global equities, but also to fixed-income markets. Most financial investments are highly liquid and diversified across sectors, geographies, and investment funds.

Investments in other currencies than USD are also exposed to FX risk. Furthermore, Klaveness has administrative costs in NOK, SGD, PHP and JPY, part of crew costs in EUR and port costs in several other currencies, while principally all income is USD-denominated.

The FX risk is considered acceptable given Klaveness' solid liquidity; hence no hedging is carried out. KCC is exposed to both interest and FX risk through debt financing and uses IRS and CCIRS instruments to hedge this exposure. Klaveness' liquidity risk is considered low. Current cash, available undrawn credit and projected operating cash flows are considered sufficient to cover commitments.

Operational risks are managed through formal and certified safety and quality management (KSM certified to ISO 9001, ISO 14001, & ISO 45001), control processes as well as training of seafarers and onshore employees. All employees attend in-house training to ensure compliance with applicable legislation and the Klaveness Code of Conduct. The organization is continuously learning from incidents and accidents through an improvement reporting system to develop procedures and training.

Environmental risks: Klaveness can be held liable for discharges of oil and hazardous substances under strict environmental regulations, regardless of culpability. Future environmental laws can also result in unpredictable costs for compliance.

Information security risks to business operations are on the rise, mainly due to more complex digital value chains with increased vulnerabilities. While digitalization has brought many benefits, it has also made companies more vulnerable. Protecting operational stability is vital for both Klaveness, the customers and other stakeholders. Therefore, Klaveness takes data and cyber security seriously, investing in best practices and technologies to safeguard data assets and business operations. The company works closely with renowned partners in this space. In 2024, Klaveness conducted a series of table-top cyber incident exercises involving all business units and most employees, and implemented a new system for employee training in detecting e-mail fraud.

Based on a risk assessment, the largest threat is considered cyber criminals searching for financial benefits from attacks. Monitoring shows that attack attempts mostly comes through phishing efforts and technical weaknesses. Information security efforts focus on these main attack vectors and are conducted in accordance with ISO27001 and relevant maritime standards, including IMO´s Cyber Security Regulations which address prevention, detection, response, and recovery from attacks.

Klaveness Digital manages data for multiple customers through the CargoValue application under contractual frameworks including Data Processing Agreements, Terms and Conditions and Service Level Agreements. Operational cyber security risk is managed through the Klaveness Digital Security & Risk Governance program encompassing a Disaster Recovery Plan and Cyber Incident Response Plan. Risk control measures are constantly refined and updated.

Klaveness Digital's solutions are protected by advanced security infrastructure powered by the Microsoft Azure Platform, with cyber security policy governed by the Centre for Internet Security (CIS) and National Institute of Standards and Technology (NIST) framework. Open Web Application Security Project (OWASP) guidelines are followed for best practice.

Klaveness adheres to core values, internal policies, and applicable legislation to manage exposure to **compliance risks** through complex global operations across different jurisdictions. A Board-approved Compliance Program, implemented by the Chief Legal and Compliance Officer, outlines policy guidelines including Code of Conduct, Anti-Corruption and Business Ethics, Whistleblowing, Competition Law, and Personal Data Protection, among others. Company-wide training is held continuously, including compliance seminars and online courses.

A dedicated KYC (Know Your Counterparty) team performs risk rating and due diligence checks on counterparties. Klaveness' definitive Counterparty Code of Conduct applies to all our contractual relationships.

Outlook

After a seasonally weak start of 2025, the dry bulk market is expected to strengthen into the upcoming South American grain season starting in March. While dry bulk demand outlook in South Asia is positive, there are more risks to Chinese dry bulk demand in 2025. Both Chinese iron ore and coal inventories are high and tight financing conditions might impact the dry bulk market negatively. The dry bulk order book, however, remains at historically low levels, supporting the supply-demand balance going forward.

Average clean tanker earnings for the full year of 2025 are expected to soften compared to the record-strong earnings in 2024. While market fundamentals continue to be relatively strong, there are large uncertainties following high geopolitical and macroeconomic risks. Oil demand and production is expected to continue to grow, supporting demand for seaborne transportation of oil products. The main risks to the product tanker market balance are linked to increased fleet growth, lower ton-mile demand growth from a potential resolution to the Red Sea disruption and the war in Ukraine, and a possible continued or deepening slowdown in China. While the effects of US tariffs are uncertain, it is likely that ton-mile demand will increase due to more trading inefficiencies.

Events After the Balance Sheet Date

On January 1, 2025, OSM Offshore AS purchased and took ownership of 100% of the shares in Klaveness Ship Management (KSM). OSM Thome has in 2025 established an office in Oslo at Torvald Klaveness headquarters to handle the ship management for Klaveness Combination Carriers ASA (KCC).

There are no other events after the balance sheet date that have material effect on the financial statement as of 31 December 2024.

The Parent Company

Rederiaksjeselskapet Torvald Klaveness' registered business address is Drammensveien 260, 0283 Oslo, Norway. The parent company earned a profit after tax of USD 28.9 million for 2024 (2023 USD 30.2 million). The proposed transfer of the profit for the parent company is shown below:

Transfer to other equity: USD 28.9 million

The Board expresses its appreciation for the good work of all employees during 2024.

Rederiaksjeselskapet Torvald Klaveness
Oslo, 27 March 2025

Trond Harald Klaveness
Chair

Christian Rynning-Tønnesen
Board Member

Elisabeth Heggelund Tørstad
Board Member

Ernst André Meyer
Chief Executive Officer

Rebekka Glasser Herlofsen
Board Member

Rederiaksjeselskapet Torvald Klaveness

Consolidated Group

Consolidated Income Statement

For the year ended 31 December (USD '000)	Notes	2024	2023
Gross revenues from operation of vessels	Note 5	409 100	433 962
Voyage related expenses and distribution of pool result	Note 6	(211 962)	(237 671)
Net revenue from operation of vessels		**197 139**	**196 292**
Net income/(loss) from physical and financial freight agreements	Note 7	4 990	15 155
Subscription revenue	Note 8	2 716	2 351
Other operating revenue	Note 9	2 203	6 306
Total operating revenues and other income		**207 048**	**220 104**
Operation of vessels	Note 6	(48 562)	(44 577)
Salaries and social expenses	Note 10, 11	(27 516)	(36 115)
Other operating and administrative expenses	Note 12	(16 140)	(16 530)
Operating expenses		**(92 218)**	**(97 222)**
Operating profit/(loss) before depreciation and impairment		**114 830**	**122 882**
Depreciation fixed assets	Note 13	(34 544)	(37 148)
Depreciation and impairment of fixed assets		**(34 544)**	**(37 148)**
Operating profit/(loss)		**80 286**	**85 734**
Net interest income/(expenses)	Note 14	(9 140)	(11 980)
Other financial income/(loss)	Note 15, 16	4 343	19 279
Net currency gain/(loss)		3 568	(5 165)
Financial income and expenses		**(1 230)**	**2 133**
Profit/(loss) before taxes		**79 056**	**87 867**
Taxes	Note 17	(88)	(164)
Profit/(loss) for the year		**78 968**	**87 703**
Attributable to:			
Majority interest		42 186	48 179
Minority interest		36 782	39 524
Profit/(loss) for the year		**78 968**	**87 703**

Rederiaksjeselskapet Torvald Klaveness -

Consolidated Balance Sheet

As at 31 December (USD '000)	Notes	2024	2023
Assets			
Fixed assets			
Deferred tax asset	Note 17	6 897	6 897
Other intangible assets	Note 13	3 093	5 140
Total intangible fixed assets		**9 990**	**12 037**
Vessels	Note 13	492 804	496 071
Newbuilding contracts	Note 18	19 170	17 591
Other tangible assets	Note 13	4 114	3 797
Work in progress	Note 13	966	964
Total tangible fixed assets		**517 054**	**518 424**
Investments in associated companies	Note 16	75	81
Other long-term financial assets	Note 19	15 032	490
Total financial fixed assets		**15 107**	**570**
Total fixed assets		**542 151**	**531 031**
Current assets			
Bunkers on board vessels and other inventories	Note 20	32 622	36 386
Accounts receivable	Note 21	26 084	28 497
Prepaid expenses	Note 22	17 425	24 688
Other short-term receivables	Note 23	14 569	24 509
Derivatives		13	526
Other short-term investments	Note 24	120 767	81 926
Cash and bank deposits	Note 25	148 778	145 829
Total current assets		**360 258**	**342 360**
Total assets		**902 408**	**873 391**

Consolidated Balance Sheet

As at 31 December (USD '000)	Notes	2024	2023
Equity and liabilities			
Equity			
Share capital (10 000 shares of NOK 5 099,82)		8 154	8 154
Other paid-in equity		49 052	49 052
Total paid-in capital		**57 206**	**57 206**
Other equity		352 774	301 198
Total equity before minority interests	Note 26	**409 979**	**358 404**
Minority interests		168 040	153 504
Total equity including minority interests	Note 26	**578 019**	**511 908**
Long-term liabilities			
Pension liabilities	Note 10	288	461
Other long-term provisions	Note 27	1 013	3 068
Total provisions		**1 301**	**3 529**
Mortgage debt	Note 28	128 559	154 564
Long-term bond loan	Note 29	75 201	66 986
Long-term liabilities to related parties	Note 30	5 244	-
Total long-term interest-bearing liabilities		**209 004**	**221 550**
Total long-term liabilities		**210 305**	**225 079**
Current liabilities			
Accounts payable	Note 31	15 977	15 169
Accrued expenses	Note 32	30 327	29 759
Taxes payable	Note 17	250	292
Provision dividends	Note 26	-	2 500
Short-term interest-bearing debt	Note 33	34 674	36 754
Derivatives		164	219
Other short-term liabilities	Note 34	32 692	51 712
Total current liabilities		**114 084**	**136 403**
Total liabilities		**324 389**	**361 483**
Total equity and liabilities		**902 408**	**873 391**

Rederiaksjeselskapet Torvald Klaveness
Oslo, 27 March 2025

Trond Harald Klaveness
Chair

Christian Rynning-Tønnesen

Christian Rynning-Tønnesen
Board Member

Elisabeth Heggelund Tørstad
Board Member

Ernst André Meyer
Chief Executive Officer

Rebekka Glassser Herlofsen
Board Member

Rederiaksjeselskapet Torvald Klaveness -

Consolidated Cash Flow Statement

As at 31 December (USD '000)		2024	2023
Cash flow from operating activities			
Net profit / loss (-) before tax		79 056	87 867
Taxes paid		292	309
Depreciation, impairment and reversal of impairment		34 544	37 148
Loss / gain (-) from associated companies		1	20
Unrealized loss / gain (-) on financial instruments		(267)	(1 049)
Interest expense		19 464	21 694
Interest income		(10 616)	(8 176)
Amortization of upfront fees bank and bond loans		1 184	1 517
Other non-cash items		415	(249)
Decrease / increase(+) provision for loss		930	(2 742)
Decrease / increase (-) in prepayment to clearing of derivatives		2 641	691
Decrease / increase (-) in current assets		20 643	8 060
Decrease / increase (-) in financial liquid assets		(38 841)	(42 248)
Increase / decrease (-) in current liabilities		(11 182)	13 006
Increase / decrease (-) in provision for loss on contracts		(2 055)	2 734
Change in pension liabilities		(173)	(62)
Interest received		10 744	5 524
Net cash flow from operating activities (1)		**106 780**	**124 044**
Cash flow from investing activities			
Installments and other costs on newbuilding contracts		(1 578)	(17 591)
Docking and other investments in vessels		(26 712)	(12 842)
Investments in other assets		(4 190)	(5 145)
Investments in financial assets		(8 094)	-
Decrease / increase (-) in other long-term receivables		-	(220)
Sale of shares in subsidiaries	Note 3	17 500	-
Net cash flow from investing activities (2)		**(23 074)**	**(35 798)**
Cash flow from financing activities			
Share buyback program		(1 231)	-
Repurchase bond incl premium (KCC04)		(18 259)	(55 478)
Proceeds from new bond issue (KCC05)		29 203	47 112
Repayment of mortgage debt		(37 200)	(163 988)
Interest paid		(19 783)	(21 694)
Drawdown of mortgage debt		10 000	95 000
Terminated financial instruments		(2 501)	4 001
Transaction costs on issuance of loans		(444)	(2 303)
Transactions costs capital injections in subsidiaries		(22)	(1 050)
Loan from related companies		5 244	-
Changes in debt to financial institutions		(1 614)	(3 434)
Loan to related companies		(5 361)	-
Capital injection from minority interest		-	22 915
Dividends to owners		(2 500)	(11 000)
Dividend to minority interests		(36 289)	(40 659)
Paid in from exercise of warrents		-	152
Currency effects		-	(59)
Net cash flow from financing activities (3)		**(80 757)**	**(130 484)**
Net increase / decrease (-) in cash (1+2+3)		**2 949**	**(42 237)**
Cash and cash equivalents at January 1*		145 829	188 066
Cash and cash equivalents at December 31*		148 778	145 829
Net increase / decrease (-) in cash		**2 949**	**(42 237)**

* *Included cash and bank deposits related to subsidiaries with ownership interests less than 90%* (note 25)

Notes

01 Accounting Principles

The financial statements are prepared in accordance with the Norwegian Accounting Act and Norwegian Generally Accepted Accounting Principles (NGAAP). The most significant accounting principles are described below.

Basis of consolidation

The consolidated financial statements include the parent company Rederiaksjeselskapet Torvald Klaveness, and all its subsidiaries. Subsidiaries are all entities in which a parent company directly or indirectly has a controlling interest. Controlling interest is normally gained when such company owns, directly or indirectly, more than 50% of the shares in the company and/or is capable of exercising actual control over the company. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the group obtains control, and continue to be consolidated until the date that such control ceases.

Minority interests equal the share of profit/loss and net assets in the subsidiaries held by owners external to the group. Minority interests are presented in the income statement and in equity in the consolidated balance sheet, separately from the parent shareholders' equity.

The financial statements of all subsidiaries are prepared for the same reporting period as the parent company. Where accounting principles of subsidiaries are different from the principles of the group, figures are restated in order to be in line with Group accounting principles. All intra-group transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transferred assets are impaired. In order to eliminate the internal pool revenue included in the net trading portfolio, an allocation key is used to determine the intercompany share of pool revenue, voyage expenses and pool hire to shipowners. This does not effect the net result, merely eliminating revenue and cost equally.

Business combinations and goodwill

Acquisition of subsidiaries is accounted for using the purchase method. Under the purchase method of accounting the cost of the business combination is allocated to the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the net of identifiable assets acquired and liabilities assumed. Goodwill arising from the acquisition of subsidiaries is classified as an intangible asset. Goodwill arising from the acquisition of an interest in an associated company is included under the investment in associated companies. For valuation, refer to the principle concerning the valuation of intangible assets.

For business combinations that occur in stages by successive share purchases, the fair value of the acquired entity's assets and liabilities, including goodwill, are measured on the date that control is obtained. If the value of previously held shares has increased at the control date, the increase constitutes an added value or goodwill that is booked directly in equity. If the value of previously held shares has decreased, this is accounted for as impairment. Only goodwill for the majority is recognized in the financial statements.

Classification of assets and liabilities

Current assets and short-term liabilities include items due less than one year from the balance sheet date, as well as items due more than one year from the balance sheet date, that are related to the operating cycle. Assets intended for permanent ownership or use and receivables with maturities exceeding one year from the balance sheet date are presented as fixed assets. Liabilities with maturity less than one year from the balance sheet date are classified as current. All other debt is classified as long-term debt. The first year's repayment of long-term debt is classified as current liabilities in the balance sheet.

Valuation of tangible assets and liabilities

Non-financial fixed assets are stated at historical cost, less subsequent depreciation and impairment.

Tangible assets with a limited useful life are depreciated according to a depreciation schedule based on best estimates of expected useful life and taking into account each asset's wear, tear and age. The useful life of a vessel is normally set to 25 years. Tangible assets are impaired when the carrying value of the asset exceeds the recoverable amount, and it is expected that the decline in value is not temporary. The recoverable amount is defined as the higher of net sales value and value in use. The value in use is determined by reference to the discounted future net cash flows expected to be generated by the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels at which there are separately identifiable cash flows. Each vessel/ newbuilding contract is considered as one identifiable cash flow, except from the CABU and CLEANBU vessels, where the whole fleet is considered one cash generating unit.

Newbuilding contracts (vessels under construction) are capitalized in line with the payments to the yard. In addition to contractual payments, inspection costs, interest expenses and other expenses during the construction period are capitalized. To the extent vessels under construction are financed through equity until delivery, interest on such funding is neither computed nor capitalized.

Current assets are valued at the lower of cost and net realizable value. Accounts receivable are related to operations and consist of trade receivables, other short-term receivables and prepayments. For valuation of receivables, see section "Receivables".

Loans are recognized at cost (the fair value of the consideration received) net of transaction costs associated with borrowing.

Accounts payable are liabilities related to operations (trade creditors, unpaid public taxes and charges, vacation pay etc.) and other short-term payables. All these items represent interest free liabilities.

In accordance with the Norwegian Accounting Act, some items are valued according to special valuation rules. A more detailed presentation of these is provided under each principle below.

Valuation of intangible assets and liabilities

Intangible assets with a limited useful life are depreciated according to a depreciation schedule which has been determined based on best estimates of expected useful life. Intangible assets are written down to the recoverable amount if it is expected that the decline in value is not temporary. The recoverable amount is defined as the higher of net sales value and value in use. The value in use is determined by reference to the discounted future net cash flows expected to be generated by the asset given that the asset is to be held by current owner under current conditions.

Estimates and assumptions

Preparation of financial statements according to generally accepted accounting principles requires management to use estimates and assumptions that affect the profit and loss account and the valuation of assets and liabilities, and requires disclosure of information about liabilities that, as of the balance sheet date, are not yet certain. Actual figures will generally differ from such estimates. Conditional losses which are likely to occur and which are quantifiable are expensed on a current basis. The group uses estimates and assumptions in connection with the calculation of pension liabilities, the determination of accruals for contract losses and for losses on receivables, the calculation of risks related to contract fulfilment and the determination of fair market value for the purpose of assessing added values as well as impairment of assets.

Revenue recognition

The group generates most of its revenues from shipping activities.

Gross revenues from operation of vessels comprise both gross voyage revenues from the pools operated by the group, income from vessels owned by the group and earnings from vessels on time charter-in contracts. Vessels owned by the group are either operated under time charter contracts or performing contracts of affreightment. The time charter contracts are both with third parties and with the pool.

Income from vessels

The group recognizes voyage revenues and expenses on a pro rata basis over the estimated length of each voyage, discharge-to-discharge. At the time of discharge, management normally knows the next load port and expected discharge port, so that the discharge-to-discharge calculation of voyage revenues and expenses can be estimated with a reasonable degree of accuracy. For vessels without contracts in place at discharge, no revenue is recognized until a new contract is entered into. Voyage related expenses incurred for vessels in idle time are expensed. Revenues from time charters accounted for as operating leases are recognized over the time when the services are performed. Demurrage and dispatch are taken into account if it is probable that a claim will occur.

Pool income

The pool in the group generate results by operating pool vessels in the market, as well as by conducting market operations. Market operations comprise contracts of affreightment, time charters, and forward freight agreements. Forward freight agreements are used to hedge a portion of the spot days in the pools, refer to the principle concerning hedging below.

For vessels operating in a chartering pool, revenues and voyage expenses are pooled and allocated to each pool participant on a time charter equivalent basis in accordance with an agreed-upon formula, such that the net result of the pool, less service revenues, is zero. Total revenues, expenses, assets and liabilities of the pool operated by the group are included line by line in the consolidated financial statement.

Other income

Gains and losses arising from sales of tangible assets are presented as part of the operating profit or loss. Other income is recognized when it is earned (the earned income principle).

Cost recognition

Expenses are recognised in the same period as the revenue to which they are related. Expenses that cannot be directly attributed to revenues are expensed as they are incurred. In recording projects in progress but not completed at the close of an accounting period, expenses are accrued according to the proportion incurred. Provisions are made for unrealized losses if it is likely that such losses will occur.

Financial investments

Subsidiaries as defined above are consolidated in the group accounts on a 100% basis. Joint ventures are companies whose activities represent an integrated part of the group's core activities, and for which the activities are regulated by contractual agreements between two or more participants that have joint control of the activities, and in which the group's ownership share is between 20% and 50%. These investments are accounted for in the group accounts according to the proportionate consolidation method. Associated companies are defined as entities in which the group has significant influence, but that are not subsidiaries or joint ventures. Significant influence usually means a shareholding or ownership interest of at least 20% of the voting rights in the entity. Investments in associated companies are recognized in the group accounts according to the equity method. Other long-term investments are stated according to the cost method. Short-term investments are valued at the lower of cost or fair market value.

In the parent company accounts, all long-term investments are stated according to the cost method, while short-term investments are valued at the lower of cost or fair market value.

Investments in financial current assets

Financial current assets, listed shares and bonds included in a trading portfolio and traded on a regular basis, are recorded at market value. Short-term liquid investments defined as cash equivalents are financial instruments that can be converted at any time into a known amount of cash and have a maximum maturity of three months.

Periodic maintenance

The cost of periodic maintenance and docking of vessels is capitalized and depreciated over the period until the next docking, normally 30 months. Correspondingly, a part of the cost price of vessels acquired is separated for depreciation purposes and capitalized as docking. Expenses for current maintenance are charged to operating profit or loss whenever such maintenance takes place. Depreciations of docking are included in ordinary depreciations and docking is classified along with the relevant vessel in the balance sheet.

Leasing agreements

Leasing agreements are classified as operating leases or financial leases according to the terms of the agreement.

A leasing agreement is classified as an operating lease when the lessor has most of the economic benefits and risks associated with the underlying asset. Operating leases are expensed on a straight-line basis over the leasing period.

Leasing agreements are classified as financial leases when the main share of the economic benefits and risks associated with the underlying asset is with the lessee. The group does not have any financial leasing agreements.

Derivatives

The group uses a set of financial instruments (such as forward freight agreements, fuel swaps, foreign currency contracts and interest rate derivatives contracts) either to manage financial risks (hedging or non-hedging) or within given mandates to maximize profit (non-hedging). The purpose of the derivatives determines which accounting principle is applied.

Hedging

A hedging instrument is an instrument whose fair value or cash flows are expected to offset changes in the fair value or cash flows of an underlying object (asset/liability). Cash flow hedges are recorded in the profit and loss account in the same period as the cash flow from the associated asset or physical contract. Fair value hedges are reflected in the book value of the underlying asset, and gains or losses in the fair value of the hedging instrument are recognized immediately in the profit and loss account.

Non-hedging

Foreign currency contracts not considered as hedging are measured at fair market value. All other derivatives entered into for non-hedging purposes are recorded at the lower of historical cost or fair market value.

Physical and financial freight contracts

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

Income tax (for companies within the Norwegian tonnage tax system)

Operating profits related to shipping activities accepted within the Norwegian tonnage tax system are subject to tax exemption. Income tax is paid on net financial income. In addition, the group pays tonnage tax based on net tonnage of vessels. This tax is classified as a vessel operating expense in the profit and loss account.

Income tax (for companies under ordinary taxation rules)

Tax expenses in the profit and loss account comprise the sum of tax payable for the year and changes in deferred tax assets and liabilities. Deferred tax assets and liabilities are calculated at 22% on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at year-end. Temporary differences, both positive and negative, are balanced out within the same period. Deferred tax assets are recognized in the balance sheet only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilized by the entity.

Foreign currency

The presentation currency for the group is US dollar (USD). The majority of the group companies, including the parent company, have USD as their functional currency. Each entity in the group determines its own functional currency in accordance with NGAAP and items included in the financial statements of each entity are measured using that functional currency.

Transactions in currencies other than the functional currency are translated into functional currency using the exchange rate in effect on the date of the transaction. Monetary assets and liabilities in foreign currency are translated into functional currency using the exchange rate in effect on the balance sheet date. Exchange differences arising from translations into functional currency are recorded in the income statement. Non-monetary assets and liabilities measured at historical cost in foreign currency are translated into the functional currency using the historical exchange rate. Non-monetary assets and liabilities recognized at fair value are translated using the exchange rate on the date of the determination of the fair value.

Where the functional currency of consolidated entities differs from the functional currency of the group, income statements are translated into USD using the average exchange rate for the year. Exchange differences arising on the translation are recognized directly in equity. On disposal of foreign operations, the accumulated exchange gain/loss recognized in equity relating to that particular foreign operation is recognized in the income statement.

Income and expenses in NOK are converted at the rate of exchange on the transaction date. The average exchange rate was 10.7481 in 2024 (2023: 10.5658). At year-end 2024, an exchange rate of 11.3381 (2023: 10.2025) was used for the valuation of balance sheet items.

Receivables

Short-term receivables are recorded at their nominal value less provisions for bad/doubtful debt, as an approximation of their fair value. The group regularly reviews its accounts receivable, estimates the amount of unrecoverable receivables each period and establishes an allowance for unrecoverable amounts. The amount of the allowance is based on the age of unpaid amounts, information about the current financial strength of customers, and other relevant information.

Provisions for losses on receivables more than 90 days past due are recorded at 50 percent of their nominal value. The 50 percent rate has been arrived at based on experience. Further, provisions are recorded for major unpaid receivables based on individual assessments.

Bunker inventories

Inventories, which consist primarily of bunker fuel and lubrication oil, are stated at cost. Cost is determined on a first-in, first-out (FIFO) basis. Bunkers is recognized in the balance sheet when the group has legal ownership of the stock. Legal ownership of the bunker is considered established when the bunker is fully paid for on delivery.

On short-term time charter contracts, it is common not to pay for the bunker but rather return the vessel to the owner at the end of the contract period with the same amount of bunker on board. In such cases the ownership of the bunker remains with the owner and the charterer recognizes a liability to fuel the vessel with consummated amount, before delivering it back.

Legal ownership of the bunker is also not established in cases where the charterer prepays for the estimated consumed bunker. The value of prepayments are decreased in line with realization.

Bunkers are considered to be material and used for execution of voyages. These are not written down below cost if the voyage result where the bunkers are consumed is positive. However, when a decline in the price of bunker stock indicates that the voyage result turns negative, the bunker stock is written down to net realizable value.

EU Emission Trading System (EU ETS)

From 2024, the EU ETS system was set in place. The exposure for the group is minimal as the cost of allowances will be covered by the customers, and thus have limited effect on earnings.

Purchased EU ETS allowances are recognized at acquisition cost and recognized as inventory in the balance sheet. Cost will be recognized as emissions occur at acquisition cost or market price for emissions not covered by purchased allowances. The corresponding liability is presented under provisions and measured on FIFO basis.

The group can use derivatives, such as forward allowance purchase contracts, to reduce the exposure to volatile and potentially rising EU ETS costs. Such derivatives will follow accounting policy for fair value financial instruments with changes in fair value recognized through profit and loss. The group will only purchase derivatives to cover its own use and not for trade/speculative purposes. The derivatives are measured at fair value at quoted market prices in active markets.

Related parties

Transactions with related parties are conducted at arm's length on market terms. Related parties are defined to include the group's top management, the Board of directors and stockholders of Rederiaksjeselskapet Torvald Klaveness, as well as the ultimate owners of the group and any other companies that the ultimate owners control.

Provisions for contingent liabilities

A contingent liability is recognized once the group has a legal or actual financial liability that is likely to be paid at a future date and the amount of the liability can be reliably estimated. Restructuring costs are recognized once the decision to implement such measures has been made and announced. The amount of the provision is the estimated expense of the restructuring. Estimated expense is valued at discounted expected future cash flows. Expected future cash flows are discounted by a pre-tax risk-free interest rate, with the addition of a risk premium to reflect any uncertainty associated with the allocation.

Provisions for dividends

Distribution of dividends is approved by the Board of Directors based on authorization from the Annual General Meeting. Dividend distribution to the company's shareholders is recognized as a liability at the reporting date of the financial year that the proposal of dividend relates to.

Pensions

All current employees in the group have a defined contribution plan. In addition, one person holds a defined benefit plan. All the pension plans in the group are in compliance with local laws and regulations.

A defined contribution plan is one under which the group pays fixed contributions to a separate legal entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Individual agreements between the group and the employee, resulting in an early retirement scheme, is treated in the financial statements as a contribution based pension scheme in which the total premium payments for the period up to the age of 67 are recognized as a pensions cost at the time of signing the contract.

Currency gain/loss related to net pension assets is presented as part of the pension costs.

Cash flow statement

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

Events after the balance sheet date

The values of assets and liabilities that are recorded in the balance sheet may be based on assumptions and uncertainties. Events that occur after the balance sheet date and that result in new information that leads to a reassessment of an item of asset or liability, are accounted for accordingly. Examples of such events after the close of the balance sheet date are legal decisions, payments and settlements received from customers, final determination of bonuses and other performance-dependent remuneration.

02 Subsidiaries, Joint Ventures and Associated Companies

Torvald Klaveness comprises several subsidiaries, joint ventures and associated companies.

Subsidiaries are all entities in which a parent company directly or indirectly has a controlling interest. Subsidiaries are fully consolidated from the date of acquisition. Where accounting principles of subsidiaries are different from the principles of the group, figures are restated in line with Group accounting principles.

Joint ventures are companies whose activities represent an integrated part of the group's core activities, and whose activities are regulated by contractual agreements between two or more participants that have joint control of the activities, and in which the group's ownership share is between 20% and 50%. Joint ventures are recognized according to the proportionate consolidation method.

Associated companies are entities in which Torvald Klaveness has significant influence, but that are not subsidiaries or joint ventures. Significant influence usually means a shareholding or ownership interest of at least 20% of the voting rights in the entity. Investments in associated companies are recognized according to the equity method.

Unless otherwise stated, the companies are located in Oslo, Norway.

Subsidiaries:

Company name	Ownership interest per 31 Dec. 2024	Ownership interest per 31 Dec. 2023
Klaveness Asia Pte.Ltd (Singapore)	100 %	100 %
Baumarine AS [2]	75 %	100 %
Klaveness Container AS	100 %	100 %
Klaveness Combination Carriers ASA	53.82 %	53.82 %
KCC Chartering AS	53.82 %	53.82 %
KCC Shipowning AS	53.82 %	53.82 %
KCC Bass AS	53.82 %	53.82 %
Klaveness Combination Carriers Asia Ptd. Ltd (Singapore)	53.82 %	53.82 %
AS Klaveness Chartering	75 %	100 %
Klaveness Shipping (Shanghai) Co. Ltd. (Shanghai, China)	0 %	100 %
Klaveness Shore Services Inc. (Manila, Philippines)	100 %	100 %
Klaveness Ship Management AS	100 %	100 %
Klaveness Finans AS	100 %	100 %
Klaveness Digital AS	100 %	100 %
Klaveness Dry Bulk AS [1]	75 %	100 %
Klaveness AS	100 %	100 %
Klaveness Maritime Services AS	100 %	100 %
Klaveness Japan K.K (Tokyo, Japan)	75 %	0 %

Joint ventures:

Company name	Ownership interest per 31 Dec. 2024	Ownership interest per 31 Dec. 2023
Barklav (Hong Kong) Ltd. (Hong Kong, China)	50 %	50 %
Maruklav Management Inc. (Marshall Islands)	50 %	50 %

Associated company:

Company name	Ownership interest per 31 Dec. 2024	Ownership interest per 31 Dec. 2023
Klaveness Maritime Agency Inc. (Manila, Philippines) [3]	24.96 %	24.96 %

[1] *Ownership was reduced to 75% for the whole KDB group as of 1.1.2024, refer to* note 3.
[2] *The company was liquidated in 2024.*
[3] *100% of the shares was sold to OSM Offshore AS as of 2.1.2025, refer to* note 3.
[4] *Klaveness Japan K.K was established early 2024 as a part of the KDB group, refer to* note 3.

03 Major and Subsequent Events

2025: Subsequent events

Sale of shares in Klaveness Ship Management AS

On January 1, 2025, OSM Offshore AS purchased and took ownership of 100% of the shares in Klaveness Ship Management (KSM). OSM Thome has in 2025 established an office in Oslo at Torvald Klaveness' headquarters, from which KSM under the new ownership will continue to provide ship management services exclusively for the KCC fleet.

Steel cutting

On January 21, 2025, the steel cutting for the Hull 1561 started, and USD 5.7 million was paid in installments.

There are no other events after the balance sheet date that have material effect on the financial statement as of 31 December 2024.

2024: Major events

Sale of shares in Klaveness Dry Bulk AS

On January 1, 2024, Lilac Investment Co. Ltd purchased and took ownership of 25% of the shares in Klaveness Dry Bulk AS. Lilac Investment Co. Ltd is fully owned by Marubeni (Japan).

New office established in Japan

In April 2024, Klaveness Dry Bulk AS established a new entity in Japan (Klaveness Japan K.K).

Bond issue

In May 2024, KCC issued NOK 300 million in bonds in a tap issue under the KCC05 bond loan and the total outstanding amount under the KCC05 bond loan is NOK 800 million falling due in Q3 2028. In July 2024, KCC exercised the call option to voluntary early redeem all remaining outstanding bonds under KCC04, NOK 191.5 million in total. The 364 days overdraft facility was renewed in December 2024 for a 364-days period with a total amount of USD 8 million.

Charity contributions

Rederiaksjeselskapet Torvald Klaveness has donated USD 1.8 million during 2024. The donation is distributed among various organizations aiding in the situation in Ukraine and other areas affected by war and poverty. This is booked as other operating expenses in the income statement.

2023: Major events

Charity contribution

Rederiaksjeselskapet Torvald Klaveness donated USD 1.5 million during 2023. The donation is distributed to various organizations aiding in the situation in Ukraine and other areas affected by war and poverty. This is booked as other operating expenses in the income statement.

Bond issue

In September 2023, Klaveness Combination Carriers ASA, completed a new senior unsecured sustainability-linked bond issue (KCC05) of NOK 500 million with maturity date September 5, 2028.

Newbuildings

The group has per 31 December 2023 three CABU combination carrier newbuildings on order at Jiangsu New Yangzi Shipbuilding Co., Ltd in China. The contract price is USD 56.5 million per vessel and estimated delivery costs are approximately USD 60.5 million per vessel. The expected delivery of the vessels is Q1 to Q3 2026.

Capital increase

On May 30, 2023, Klaveness Combination Carriers ASA completed a capital increase of USD 49.8 million through a private placement to partly fund three CABU newbuildings. Rederiaksjeselskapet Torvald Klaveness contributed with USD 27.1 million.

Mortage debt

In June 2023 a subsidiary of KCC completed the refinancing of two mortage debt facilities due in December 2023 and October 2025. The two facilities were merged into one facility of USD 190 million, divided into a termloan tranche and a revolving credit tranche (50/50).

The loan bears interest of term SOFR + 2.1%, has a tenor of 5 years, and is repaid on a close to 18-years average age adjusted profile.

04 Operational and Financial Risks

Torvald Klaveness operates globally and in a capital intensive industry subject to volatile business cycles and fluctuations in underlying markets. The group is exposed to both operational and financial risks.

Operational risks

Operational risks are related to the operation of vessels under the management of Klaveness Ship Management AS (KSM), to the execution of cargo contracts and time charter contracts in AS Klaveness Chartering, and to the management of a pool. Vessel management undertaken by KSM is governed by quality procedures that reflect the requirements of IMO, flag states and port states. Quality and safety audits are performed at regular intervals and significant effort is put into the training of seafarers to comply with the standards.

Operational risk is managed through insurances, procedures and systematic training of seafarers and land based employees to manage risks such as piracy, health and safety, environmental risks, off-hire and accidents. All vessels sailing through piracy exposed areas take necessary steps to mitigate the threat. The vessels are insured for loss of hire, protection and indemnity (P&I), and complete loss (hull and machinery). The chartering and trading, combination carriers and pool management activities are governed by well-defined and board-approved mandates, management procedures and reporting requirements.

Financial risks

Financial risks may be divided into market-, counterparty-, interest rate-, currency-and liquidity risks.

Market risk

Shipping market risks are generated by several activities in Torvald Klaveness. Ownership of vessels involves risks related to vessel values, vessel employment, freight rates and costs.

The group is exposed to the volatile nature of the dry bulk and product tanker shipping markets. Fluctuations in freight rates, vessel values, profitability, and cash flow, along with the risk of impairment of book values and breaches of financial covenants, are inherent in cyclical shipping markets. These fluctuations are influenced by imbalances in supply of vessel capacity and demand for global seaborne transportation of commodities. Since these dynamics are unpredictable and beyond the group's control, their impact on business conditions is uncertain. A downturn in the relevant markets could significantly impact the group's operations, financials, and cash flow. To manage these risks, the group uses contracts of affreightment (COA), time charter contracts (TCs) and forward freight agreements (FFA) to cover part of its future exposure.

The contract portfolio covers a part of the vessel capacity for the nearest 12 months for the business areas. The trading of physical and financial freight contracts, which includes COAs, TCs and FFAs, conducted by AS Klaveness Chartering (KC), a Klaveness Dry Bulk company, involves risks related to movements in the overall market price levels and market movements between sub-markets, e.g. geographical areas. These risks are monitored continuously and managed according to scenario-based mandates and kept within market- and liquidity risk limits decided by the board. Stop-loss limits also apply. Market exposure within KC is to a large extent short-term, with a limited number of fixed price contracts extending beyond 12 months.

The group faces exposure to fluctuating bunker fuel prices, which are unpredictable and influenced by factors beyond the group's control, including geopolitical events, oil and gas supply and demand, OPEC actions, regional unrest, production patterns, and environmental considerations. To manage this risk, the group may hedge bunker fuel exposure or incorporate bunker adjustment factors (BAF) into contracts. However, quantifying future bunker fuel needs for specific voyages and obtaining hedges for non-standard volumes pose challenges, introducing risk. While the group's size and diversification mitigate this risk overall, it may impact the group's financials.

From 1 January 2024, shipping is part of EU's emission trading system (EU ETS). For its owned vessels, the group must submit allowances for 100% of emissions for voyages within EU, and 50% of voyages in and out of EU (including ballast leg). The share of emissions that must be covered by allowances gradually increases each year from 40% of emissions reported for 2024, 70% of emissions reported for 2025 and from 2026 100% of reported emissions. The group is exposed to cost fluctuations under the, where the price of emission allowances (EUAs) is subject to market volatility and potential increases. To mitigate the risk, The group uses derivatives, such as forward allowance purchase contracts. The group has a limited exposure as KCC's vessels have a limited part of their trading in and out of EU, in addition the cost will in most cases be covered by the customer. There will also be emission allowance price risk associated with third-party owned vessel the group operates within Dry Bulk, which will be largely covered by physical contracts and purchases of allowances on an ongoing basis. It is the vessel owners that are ultimately responsible for submitting the allowances to the respective EU authorities.

From 1 January 2025, Fuel EU Maritime was introduced. The regulation sets a maximum level of GHG intensity of the energy used onboard the vessels to incentivize the uptake of more sustainable fuels and shore power. In practice, this means that from 2025, the GHG intensity must be reduced by 2% per year compared to standard fossil fuels. The group has a limited exposure as KCC's vessels have a limited part of their trading in and out of EU and the cost will in most cases be covered by the customers.

The regulation will impact ship owners sailing vessels into EU, which in turn will affect Klaveness Dry Bulk's fuel costs and risk. It is still unclear how ship owners and their responsible ship managers will pass on added costs to charterers.

Credit and counterparty risk

Counterparty risk is generated by procurement, service deliveries to customers and through freight and charter agreements, as well as by investments in vessels employed on time charter contracts to other ship owners. All counterparties are credit rated and corresponding exposure limits are defined and monitored per counterparty. The group's Know Your Counterparties Procedures ("KYC Procedures") include sanctions checks, business ethics checks and credit rating of all counterparties. Companies may ultimately be excluded from doing business with the group based on the KYC checks if a counterparty is considered to be in violation to Klaveness' Counterparty Code of Conduct, or entail excessive credit risk. Provisions against expected future losses are made. Full provisions are made against counterparties that default on their payment obligations. A provision for losses on other outstanding amounts is made based on age and individual evaluations of each item.

FFAs and bunker oil hedges are entered into with clearing providers and investment grade OTC counterparts. Further, Torvald Klaveness is exposed to credit risk through its deposits. Deposits are made with financial institutions/banks that have an official public rating of A or higher.

Foreign exchange risk

Torvald Klaveness functional currency is USD. Some of the cash, bank deposits, bond debt and debt to related parties are denominated in NOK. Currency risk and interest rate risk exposure related to the bond issued in NOK is offset by cross currency interest rate swaps (note 29). Torvald Klaveness' income is mainly in USD, while some costs also are in NOK, EUR, AED, JPY, AUD, PHP and SGD. At year-end 2024 the group had no currency forward hedges. During 2024 a forward currency hedge of NOK 68 million was realized, the transaction had a negative effect of USD 0.5 million.

All interest-bearing debt is denominated in USD, except for bonds issued in NOK. Loans have various amortization profiles, but the majority are floating rate with CME Term SOFR as a benchmark. The group's bond loans denominated in NOK are also swapped to USD with fixed interest rate or floating interest rate with CME Term SOFR as benchmark. The group uses financial interest rate derivatives, mainly interest rate swaps, to reduce the unwanted variability of interest expenses due to changes in the benchmark. As of 31 December 2024, 19% of the floating long-term interest bearing debt is hedged including undrawn RCF commitments and 29% on drawn amount per year-end 2024. The group evaluates on an ongoing basis the need to adjust interest rate exposure and coverage rate.

The financial assets and non-current liabilities have the following currency distribution:

Financial liquid assets nominated in USD:	USD 129 million
Financial liquid assets nominated in other currencies:	USD 20 million
Interest-bearing debt in USD:	USD 154 million
Interest-bearing debt in other currencies:	USD 0 million
Bond loan (denominated in NOK):	USD 75 million

Interest rate risk

Interest rate risk is related to interest-bearing investments and borrowings. Torvald Klaveness to some extent manages these positions on a net basis and positions have been taken in KCC Shipowning AS and Klaveness Combination Carriers ASA to reduce the exposure. To mitigate interest rate exposure, the group has entered into various interest rate derivates, such as interest rate swaps (IRS), caps and cross-currency interest rate swap (CCIRS) to hedge the risk of variability of changes in cash flows of the interest bearing bank debt as a result of changes in floating interest rates. As from 1 January 2020, the group changed its treatment of its interest rate derivates, which are now defined as a portfolio aiming to hedge the underlying portfolio of interest-bearing debt in line with the group's finance policy. At year-end 2024, approximately 29% of the floating interest bearing debt was fixed through interest rate swap agreements.

These fixed rate interest rate derivates had a total notional amount of USD 65.6 million per end of 2024 and a duration until 2028. During Q3 2024 the group terminated a total of USD 20.5 million of notional in cross-currency interest rate swap related to the re-purchase of KCC04.

Liquidity risk

Liquidity risk is the risk that the group may not be able to fulfil its liabilities when they fall due. To mitigate this risk, the group maintains sufficient liquidity reserves, primarily held in bank deposits, time deposits, and liquid money market funds. A portion of liquid funds is also invested in highly liquid equity funds, with deposit maturities aligned with forecasted liquidity needs. Deposits are placed with banks rated A or higher.

The group has a diversified external funding base, including Nordic banks, bond financing, and access to capital markets through Klaveness Combination Carriers ASA. Additionally, the group monitors and regularly forecasts its liquidity reserve based on expected cash flows and stress testing for weaker market conditions.

The group's cash position is influenced by market and credit risk, with three main uncertainties affecting cash flow: clearing margin payments, changes in net working capital, and potential cash shortfalls due to key counterparty defaults. The daily settlement for mark-to-market derivatives, including cleared Forward Freight Agreements (FFAs), depends on forward market fluctuations, and clearing houses may require collateral for potential future market changes. Clearing positions are subject to risk limits and extreme scenario stress-tests to ensure sufficient liquidity for payment obligations.

Furthermore, liquidity risk exists in the underlying markets in which the group operates. Market fluctuations may increase transaction costs or impact the ability to adjust the portfolio through market instruments. Despite these risks, the group maintains adequate funds to manage volatility and fulfill its financial obligations.

Climate-related risks

Climate-related risks include both transition risks and physical risks with focus on transition risks, as this is considered to have a larger impact and probability for the group. The risk mainly relates to effect of reduced demand for the group's services and the risk of stranded assets and new regulations as the fleet moves to low-carbon fuel.

Compliance risk

The legal and regulatory requirements of the group are increasingly complex. The group has established systems and processes to ensure that all relevant laws and regulations are met, such as tax laws, anti-corruption laws, securities laws, anti-trust laws, laws related to human rights and working conditions and international sanctions.

Financial liquid portfolio

The financial liquid portfolio is exposed primarily to global equity markets, but also to fixed income markets. The majority of investments are highly liquid and diversified across sectors, geographies and investment funds. The portfolio is managed under a mandate from the Board.

05 Revenue from Vessels

Torvald Klaveness operates in an international market where the various geographical areas are connected. The fleet has the flexibility to operate in all markets and are employed in a comprehensive pattern both within and between the regions in order to optimise income. Consequently, Torvald Klaveness' operating shipping activities are not attributed to specific geographical markets.

(USD '000)	2024	2023
Pool vessels		
Freight revenues	52 102	51 240
Sub time charter revenues	114 100	109 034
Forward freight agreements (FFA)	(1 135)	(1 669)
Other revenues	5 199	3 064
Elimination of internal share of revenue	(39 809)	(13 979)
Total	**130 458**	**147 689**
Own vessels		
Combination carriers		
Freight revenues	240 556	246 714
Sub time charter revenues	38 086	39 491
Other discontinued vessels	-	67
Total	**278 643**	**286 273**
Total gross revenue from vessels	**409 100**	**433 962**

06 Voyage Related Expenses and Operation of Vessels

(USD '000)	2024	2023
Pool vessels		
Panamax	(125 193)	(147 564)
Total expenses pools	**(125 193)**	**(147 564)**
Own vessels		
Combination carriers	(135 338)	(134 736)
Other	8	52
Total expenses own vessels	**(135 331)**	**(134 684)**
Total voyage related expenses and operation of vessels	**(260 524)**	**(282 248)**
Voyage related expenses (including distribution of pool result)	(211 962)	(237 671)
Operation of vessels	(48 562)	(44 577)
Total voyage related expenses and operation of vessels	**(260 524)**	**(282 248)**

All operating expenses of pool vessels are voyage related. Expenses include distribution of net result to the pool participants, but exclude pool management fee paid to the Klaveness pool managing company.

Combination carriers are operated in a chartering company owned by Klaveness Combination Carriers ASA. Expenses include voyage related expenses and non-voyage related vessel operating expenses.

07 Physical and Financial Freight Agreements

The group through its subsidiary AS Klaveness Chartering takes positions in physical and financial freight contracts including time charter agreements, forward freight agreements, contracts of affreightment and options. The positions in physical and financial freight agreements are managed as one portfolio. The portfolio is managed within a given trading mandate regulating market- and liquidity risks with maximum exposure limits. Limits and exposures are supervised on a daily basis. The derivative portfolio mainly consists of cleared forward freight agreements, some over-the-counter agreements with investment grade institutions and negligible positions with non-investment grade counterparts. All physical and financial contract counterparties are rated in-house and given a designated credit exposure limit.

The portfolio of contracts is managed through defined mandates and risk measures and is therefore treated as a portfolio for accounting purpose. As a consequence of the accounting principles followed, a negative future portfolio value requires a provision, whereas a positive future portfolio value will only be recognized in future years, as it is realized.

The mark-to-market value of the portfolio of contracts related to the Panamax and Financial Trading segments per end of December 2024 and forward was, assuming no credit risk, USD 2.2 million (2023: USD 1.6 million). This is based on a valuation of each separate contract's expected cash flow relative to the forward market in the relevant contract period, which is aggregated and discounted using the USD swap interest curve. The net mark-to-market value of the portfolio, after deducting the statistically estimated counterparty losses, was positive by USD 1.9 million (2023: USD 1.3 million).

(USD '000)	2024	2023
Result from physical and financial freight agreements	4 990	15 155
Net result from physical and financial freight agreements	**4 990**	**15 155**

AS Klaveness Chartering has an average of 4 ship-years of TC in contracts with maturity below 1 year, and 0 ship-years of TC-in contracts with maturity between 1 and 2 years. The average daily lease rate is USD 12 705. In addition the portfolio has 1 ship year with index based lease rate.

The initial margin equals the guarantee obligation the company has to the clearing houses for the trade of cleared Forward Freight Agreements (FFA's). The deposits vary daily according to the forward market. ADM Investor Services International Limited is the company's clearing agent.

08 Subscription Revenue

Software revenue mainly flows from Klaveness Digital AS and the SaaS solution CargoValue. The group also sells other SaaS solutions, with subscription terms ranging from months to years. Revenue is recognized over the subscription period as performance obligations are met. Unearned income represents payments received prior to the fulfilment of these obligations (note 34).

(USD '000)	2024	2023
CargoValue subscription	2 330	2 333
Market Manager subscription	387	-
Other digital subscriptions	-	18
Total subscription revenue	**2 716**	**2 351**

08 Subscription Revenue (cont.)

Subscription revenue is generated from customers across multiple geographic locations, reflecting the global reach of our software solutions. The table below presents revenue based on the customers' location.

Revenue by geographic location (USD '000)	2024	2023
Europe	538	512
Oceania	326	463
North America	733	774
South America	443	357
Asia	608	178
Africa	68	67
Total subscription revenue	**2 716**	**2 351**

09 Other Operating Revenue

(USD '000)	2024	2023
Management fee (Maruklav)	-	4 683
Other operating revenue	1 386	1 623
LOH settlement	817	-
Total other operating revenue	**2 203**	**6 306**

The group previously sold administration services to its joint venture, Maruklav Management Inc. with a mark-up depending on the type of services provided. This included finance, tax, legal services, commercial operations, chartering, HR and management. Maruklav in turn sold pool management services back to Baumarine AS. This was not eliminated on group level, refer to note 1 for information concerning elimination on group level. From 1 January 2024 the pool management service was moved from Maruklav to the group's subsidiary, Klaveness Dry Bulk AS. Other operating revenue includes finance and legal services provided to companies outside of the group and compensation from loss of hire (LOH) insurance related to vessels within the KCC fleet.

10 Pension Cost, Pension Plan Assets and Pension Liabilities

All employees in Torvald Klaveness have a defined contribution plan. This plan currently consists of annual savings of 5% of salaries between 0 and 12G plus 15% of salaries between 7.1G and 12G. 1G is currently defined to NOK 124.028. The annual pension payable depends on the size of the contributions, the number of contributions paid and the return during the savings and pension-payment period. The employee may start taking his/her pension from the age of 62, given that it is paid out over a minimum of 10 years and at least until the age of 77. The responsibility for managing the individual pension account, within the insurance company's prevailing selection of funds, lies with the employee.

As of December 31, 2024 the defined pension plan included 77 (2023: 92) employees. All payments to the defined contribution plan are expensed as they are paid-in.

In addition to the defined contribution plan, the group also has one defined benefit plan. This plan relate to one employee who hold the plan in addition to the defined contribution plan. The recognized pension liability to this amount to USD 0.3 million.

The contract gives the holder the option to leave the group at the age of 64; and the group the option to give the holder a leave at the age of 62.

11 Salaries, Social Expenses and Remuneration

(USD '000)	2024	2023
Wages*	(22 041)	(29 978)
Benefits and insurance	(388)	(403)
Employer's social security contributions	(2 730)	(2 679)
Net pension cost	(1 188)	(1 354)
Welfare expenses	(1 168)	(1 701)
Total salaries and social expenses	**(27 516)**	**(36 115)**

** In 2023 and 2024, Klaveness Digital AS underwent a restructuring in workforce, during which severance pay expenses were fully accounted for within the fiscal year. Severance pay not fully settled is presented as a liability, see note 34.*

Average number of person-years (on-shore Oslo)	103	116
Average number of person-years (on-shore abroad)	100	105

Crew for the Torvald Klaveness fleet is hired through crewing offices in Manila, Constanta and Cape Town. The group has on hire approximately 600-700 seafarers (variations through the year). Salaries to crew on the vessels are presented as part of operation of vessels and voyage related expenses.

Remuneration to management (USD '000)	2024	2023
Remuneration to the Board of Directors	(165)	(200)
Remuneration to the Chief Executive Officer	(1 218)	(765)

In 2024, Trond Harald Klaveness did not receive remuneration for carrying the position as Chair of the Board. The employment of the Chair of the Board has no time limit.

12 Other Operating and Administrative Expenses

USD '000	2024	2023
Administrative expenses	(9 049)	(9 374)
Outsourcing, consultancy and legal fees	(4 664)	(4 750)
Audit fee *	(409)	(305)
Other services from auditor *	(155)	(134)
Charity donations	(1 863)	(1 549)
Net result from fixed contracts	-	(418)
Total other operating expenses	**(16 140)**	**(16 530)**

** Excluding VAT.*

13 Tangible and Intangible Fixed Assets

(USD '000) 2024	Combination carriers	Other assets	Buildings and real estate	Total fixed assets
Cost 1 January 2024 - vessels/other assets	717 437	24 102	458	741 997
Cost 1 January 2024 - docking	62 186	-	-	62 186
Additions	26 712	255	2 539	29 506
Disposals	-	-	-	-
Other adjustments*	376	(2 692)	-	(2 316)
Cost 31 December 2024 - vessels/other assets	717 437	21 664	2 997	742 098
Cost 31 December 2024 - docking	89 274	-	-	89 274
Accumulated depreciation 31 December 2024	(313 907)	(19 786)	-	(333 693)
Accumulated impairment 31 December 2024	-	(761)	-	(761)
Net book value 31 December 2024 - vessels/other assets	419 602	1 117	2 997	423 716
Net book value 31 December 2024 - docking	73 202	-	-	73 202
Net book value 31 December 2024 - total	**492 804**	**1 117**	**2 997**	**496 918**
Depreciation for the year, 2024 - vessels/other assets	(22 834)	(747)	-	(23 581)
Depreciation for the year, 2024 - docking	(7 521)	-	-	(7 521)
Total depreciation 2024	**(30 355)**	**(747)**	**-**	**(31 102)**
Number of vessels by the end of 2024	**16**			
Average useful life vessel	25			
Average useful life dry-docking	2-3			

** In 2024 work in progress (WIP) was moved to a separate line in the financial statement. WIP mainly consists of capitalized salary and consultant costs related to development of an internal fees allocation module and the CargoValue application. From 2024 onwards, office leases previously capitalized in Singapore & Dubai have been removed at group level, as they do not qualify as an asset under NGAAP.*

13 Tangible and Intangible Fixed Assets (cont.)

(USD '000) 2023	Combination carriers	Other assets	Buildings and real estate	Total fixed assets
Cost 1 January 2023 - vessels/other assets	717 437	22 229	458	740 124
Cost 1 January 2023 - docking	49 344	-	-	49 344
Additions	12 842	1 888	-	14 730
Disposals	-	(15)	-	(15)
Cost 31 December 2023 - vessels/other assets	717 437	24 102	458	741 997
Cost 31 December 2023 - docking	62 186	-	-	62 186
Accumulated depreciation 31 December 2023	(283 552)	(19 039)	-	(302 591)
Accumulated impairment 31 December 2023	-	(761)	-	(761)
Net book value 31 December 2023 - vessels/other assets	442 436	4 302	458	447 196
Net book value 31 December 2023 - docking	53 635	-	-	53 635
Net book value 31 December 2023 - total	**496 071**	**4 302**	**458**	**500 831**
Depreciation for the year, 2023 - vessels/other assets	(23 291)	(1 281)	-	(24 572)
Depreciation for the year, 2023 - docking	(8 552)	-	-	(8 552)
Total depreciation 2023	**(31 842)**	**(1 281)**	**-**	**(33 123)**
Number of vessels by the end of 2023	**16**			
Average useful life vessel	25			
Average useful life dry-docking	2-3			

Torvald Klaveness' insurance arrangements are organised through external insurance companies. The financial impact of a total loss of a vessel would not be material to Torvald Klaveness.

Depreciation of vessels is recorded on a straight-line basis over the estimated economic lifetime of each individual asset. The depreciation period for vessels is normally 25 years.

Pledged vessels

All owned vessels except MV Bangor, MV Banastar and MV Barcarena are pledged to secure the various debt facilities.

Additions

Six vessels dry-docked in 2024. Total costs of USD 13.5 million were recognized in 2024. Technical upgrades of USD 1.8 million and energy efficiency upgrades of USD 11.4 million are related to general improvement of the technical performance of the vessels and energy efficiency initiatives, the latter deducted by grants from ENOVA1. KCC has secured in total approximately USD 1.4 million in grants from ENOVA to finance investments in energy saving solutions for one CABU vessel and one CLEANBU vessel. Both vessels have completed the installations and the full USD 1.4 million is capitalized as of 31 December 2024. During the year the group purchased an apartment in France for USD 2.5 million.

Impairment assessment

The group has evaluated whether there are any indicators of impairment present for the group's vessels.

Identification of impairment indicators is based on an assessment of development in market rates (dry bulk, MR tanker, LR1 tanker and fuel), TCE earnings for the fleet, vessel opex, operating profit, technological development, change in regulations, interest rates and discount rate. The rise in interest rates increases the discount rate used in calculation of recoverable amount. As previous sensitivity analysis of recoverable amount shows that the decrease in recoverable amount is unlikely to result in a material impairment loss, this has not been considered an impairment indicator. Expected future TCE earnings for both fleets of CABU and CLEANBUs, diversified market exposure, development in second-hand prices and the combination carriers' trading flexibility support the conclusion of no impairment indicators identified as per 31 December 2024.

13 Tangible and Intangible Fixed Assets (cont.)

The intangible asset consists of capitalized salary and consultant cost related to developing the CargoValue application.

(USD '000) Intangible assets relate to CargoValue	Intangible assets at 31.12.2024	Intangible assets at 31.12.2023
Acquisition cost as of 1 January	15 903	12 646
Accumulated depreciation as of 1 January	(10 763)	(6 737)
Book value as of 1 January	**5 141**	**5 909**
Additions	1 394	3 257
Amortisation/depreciation for the year	(3 442)	(4 026)
Book value as of 31 December	**3 093**	**5 141**
Accumulated acquisition cost as of December 31	17 296	15 903
Accumulated amortisation/depreciation as of December 31	(14 204)	(10 763)
Depreciation plan	Straight line	Straight line
Economic life	3 years	3 years

14 Interest Income and Expenses

(USD '000)	2024	2023
Interest income	10 616	5 276
Mortgage interest expenses	(10 852)	(8 828)
Interest expenses bond loan	(6 743)	(5 756)
Other interest income/(expenses)	(2 162)	(2 672)
Net interest income/(expenses)	**(9 140)**	**(11 980)**

15 Other Financial Income and Loss

(USD '000)	2024	2023
Realized gain / (loss) financial instruments	(305)	8 993
Unrealized gain / (loss) financial instruments	455	9 252
Other financial income	5 001	3 401
Other financial expenses	(807)	(2 348)
Income/(loss) from associated companies (note 16)	(1)	(20)
Net other financial income/(loss)	**4 343**	**19 279**

16 Associated Companies and Joint Ventures

Associated companies

Investments in associated companies are recognized according to the equity method. Acquisition cost refers to the cost of the investment adjusted for accumulated payments to/from the company. Book value equals the group's share of book equity in the company.

Klaveness Maritime Agency Inc. is located in the Philippines. The company is sold to OSM Offshore AS in January 2025.

Associated companies (USD '000) Company	Acquisition	Ownership (direct + indirect)	Acquisition cost	Share of result 2024	Book value per 31 Dec. 2024	Share of result 2023	Book value per 31 Dec. 2023
Klaveness Maritime Agency Inc.	1997	24.96 %	25	(1)	75	(20)	81
Total associated companies			**25**	**(1)**	**75**	**(20)**	**81**

Joint ventures

Joint ventures are accounted for according to the proportional consolidation method.

Joint ventures (USD '000) Company	Acquisition	Ownership (direct + indirect)	Acquisition cost	Share of result 2024	Book value per 31 Dec. 2024	Share of result 2023	Book value 31 Dec. 2023
Barklav (Hong Kong) Limited	2000	50 %	150	149	904	96	754
Maruklav Management Inc*	2019	50 %	100	32	231	447	198
Total joint ventures				**182**	**1 135**	**543**	**952**

* *The main activity in Maruklav Management Inc was discontinued in 2023, as activity was moved to Klaveness Dry Bulk AS from 1 January 2024.*

17 Taxes

(USD '000) Income taxes in the income statement consists of:	2024	2023
Income taxes payable	(88)	(164)
Total tax (expense) / income	**(88)**	**(164)**

(USD '000)	2024		2023	
Temporary differences - ordinary taxation:	Position	Tax effect	Position	Tax effect
Temporary differences on fixed assets	6 435	1 416	9 438	2 076
Temporary differences on current assets	1 477	325	8 496	1 869
Tax losses carried forward	119 940	26 387	117 035	25 748
Net temporary differences	**127 852**	**28 127**	**134 968**	**29 693**
Deferred tax asset (-) not recognised in balance sheet		(21 231)		(22 796)
Deferred tax asset in balance sheet 22%		**6 897**		**6 897**

Deferred tax asset is recognised to the extent that temporary differences are expected to be reversed in the foreseeable future. Tax assets from companies under the tonnage tax regime are not recognised in the balance sheet, as these cannot be utilised through group contributions, and future utilisation has not been justified. The deferred tax asset is kept unchanged from 2023, based on an assessment of the likelihood of future utilization of the tax position at the group level.

17 Taxes (cont.)

(USD '000)	2024		2023	
Tax payable:	Income	Tax effect	Income	Tax effect
Profit / (loss) before taxes	79 056	17 392	87 867	19 331
Permanent differences	(71 938)	(15 826)	(100 657)	(22 144)
Change in temporary differences	(10 021)	(2 205)	20	4
Change in tax losses carried forward	2 905	639	12 770	2 809
Taxable income / tax payable	-	-	-	-
Tax payable - foreign subsidiaries		88		164
Tonnage tax (included in operation expenses)		162		183
Total tax payable in the balance sheet		**250**		**347**

18 Newbuildings

The group has per 31 December 2024 three CABU combination carrier newbuildings on order at Jiangsu New Yangzi Shipbuilding Co., Ltd in China. The contract price is USD 57.4 million per vessel and estimated fully delivered costs are approximately USD 193.7 million for all three vessels. The expected delivery of the vessels is Q1-Q3 2026.

Installments of USD 17.2 million are paid as of year end 2024. The newbuildings are partly financed through an equity raise in 2023 and cash on the balance sheet, and there are no borrowings related to the newbuildings as of 31 December 2024. Project fees of USD 1.6 million have been capitalized during 2024.

(USD '000)	31.12.2024	31.12.2023
Cost 1.1	17 591	-
Yard installments paid	-	17 205
Other capitalized cost	1 578	386
Net carrying amount	**19 170**	**17 591**

19 Long-Term Financial Assets

(USD '000)	31.12.2024	31.12.2023
Long-term investments*	8 293	199
Loan to related companies	5 244	184
Other long-term assets	458	107
Financial instruments	1 037	-
Total long-term financial assets	**15 032**	**490**

In 2024, the group issued a long-term loan of USD 5.2 million to THK Equity AS, with repayment scheduled for 2027, refer to note 30. Financial instruments relate to parts of the cross-currency interest rate hedge in the group, refer to note 4.

(USD '000)	Purchase value	Ownership share %
Break down: Long-term investments	31.12.2024	
ScoutDI AS	1 911	14.6 %
UNION Residential Development AS	5 347	14.7 %
Other	1 035	< 10 %
Total long-term investments	**8 293**	

20 Inventories

Inventories relate to bunkers, spare parts and luboil on board vessels. This includes vessels owned and chartered in by the group if legal ownership of the bunker is established. From 2024, the group also started purchasing EU ETS allowances; these are classified as inventory, refer to note 1. The related EU ETS liability is recorded as other current liabilities.

(USD '000)	31.12.2024	31.12.2023
Bunkers	29 390	35 001
Spareparts	1 254	99
Luboil	1 381	1 286
EU ETS allowance	597	-
Inventories	**32 622**	**36 386**

21 Accounts Receivable

(USD '000)	31.12.2024	31.12.2023
Accounts receivable from charterers	23 773	26 020
Accounts receivable from owners	2 169	2 543
Other accounts receivable	869	879
Provision for unsettled income	(727)	(945)
Accounts receivable	**26 084**	**28 497**

22 Prepaid Expenses

(USD '000)	31.12.2024	31.12.2023
Prepaid mark-to-market margin	3 917	6 525
Prepaid time charter hire	9 373	13 703
Other prepaid expenses	4 135	4 460
Prepaid expenses	**17 425**	**24 688**

23 Other Short-Term Receivables

(USD '000)	31.12.2024	31.12.2023
Accrued voyage income	11 745	21 131
Accrued interest income	79	206
Claims (insurance and other)	555	70
Other short-term receivables	2 191	3 101
Other short-term receivables	**14 569**	**24 509**

24 Financial Investments

(USD '000) 2024	Purchase value	Market value	Change in price	Agio/Disagio
Equities	36 423	36 435	749	(737)
Equity funds/ETFs	38 754	46 724	10 321	(2 351)
Bonds	3 837	4 114	280	(3)
Bond Funds	32 697	33 494	1 442	(645)
Sum	**111 711**	**120 767**	**12 793**	**(3 736)**

The book value of the investments is equal to their market value, except for two equity investments which are recorded at the lower of cost or fair market value. Of these, one investment is listed on Euronext Growth, and the other is not traded on a regulated market.

(USD '000) 2023	Purchase value	Market value	Change in price	Agio/Disagio
Equities	25 395	28 171	2 402	374
Equity funds/ETFs	26 527	31 206	4 454	225
Bonds	11 149	11 699	544	6
Bond Funds	10 507	10 850	136	207
Sum	**73 578**	**81 926**	**7 536**	**812**

25 Cash and Bank Deposits

(USD '000)	31.12.2024	31.12.2023
Bank deposits in USD	128 563	129 063
Bank deposits in NOK	16 004	10 833
Bank deposits in EUR	1 429	2 823
Bank deposits in other currencies	1 643	1 773
Withholding tax accounts, restricted	733	917
Cash	405	421
Total cash and bank deposits	**148 778**	**145 829**
Hereof cash and bank deposits related to subsidiaries with ownership interest less than 90%	89 011	68 701

The group has USD 150.2 million available for drawing on a revolving credit and overdraft facilities per year-end 2024.

26 Equity

(USD '000)	Share capital	Other paid-in capital	Other equity	Total equity excluding minority	Minority interests	Total equity including minority
Equity 1 January 2023	**8 154**	**49 052**	**267 168**	**324 374**	**123 825**	**448 199**
Profit for the year	-	-	48 179	48 179	39 524	87 702
Capital contribution from minority interest	-	-	-	-	22 840	22 840
Dividends to minority interest	-	-	-	-	(33 394)	(33 394)
Proposed dividend	-	-	(2 500)	(2 500)	-	(2 500)
Paid dividend	-	-	(11 000)	(11 000)	-	(11 000)
Transactions with minority interests	-	-	(649)	(649)	649	-
Other changes	-	-	-	-	60	60
Equity 31 December 2023	**8 154**	**49 052**	**301 198**	**358 404**	**153 504**	**511 908**
Profit for the year	-	-	42 186	42 186	36 782	78 968
Dividends to minority interest	-	-	-	-	(29 252)	(29 252)
Buy back own shares	-	-	-	-	(1 237)	(1 237)
Transactions with minority interests	-	-	90	90	(90)	-
Minority share of equity in KDB	-	-	(8 375)	(8 375)	8 375	-
Sale 25% shares in KDB	-	-	17 500	17 500	-	17 500
Other changes	-	-	175	175	(42)	132
Equity 31 December 2024	**8 154**	**49 052**	**352 774**	**409 979**	**168 040**	**578 019**

Shareholders	Ownership	Shares
THK Partner AS	26 %	2 600
MMK Holding AS	37 %	3 700
JWI Holding AS	37 %	3 700
Total shareholders	**100 %**	**10 000**

27 Other Long-Term Provisions

(USD '000)	31.12.2024	31.12.2023
Deferred income	943	2 997
Other long-term provisions	71	71
Total other long-term provisions	**1 013**	**3 068**

During 2023, the KCC group terminated several of its interest rate swaps and recognized a gain of USD 4 million the cash flow statement. As the hedged cash flows are still expected to occur, the gain is recognized over the profit and loss statement over the remaining duration of the terminated interest rate swaps.

28 Mortgage Debt

(USD '000)	31.12.2024	31.12.2023
Mortgages, USD denominated	156 201	183 400
Capitalized loan fees	(2 443)	(3 637)
First year installments and loans falling due within one year	(25 199)	(25 199)
Total long-term mortgage debt	**128 559**	**154 564**
Hereof mortgage debt related to subsidiaries with ownership interest 90% or less	**128 559**	**154 564**
Repayment schedule:		
Falling due within one year	25 199	25 199
Falling due between one and three years	84 338	86 868
Falling due after three years	46 665	71 333
Total mortgage debt	**156 201**	**183 400**
Book value of vessels with mortgage debt	**492 804**	**496 071**

Mortgage debt (USD '000)	Description	Interest rate	Maturity	Carrying amount 31.12.2024
DNB/SEB/SR-Bank/Sparebanken Vest	Term Loan/RCF, USD 190	Term SOFR + 2.1%	June 2028	85 555
Nordea/Credit Agricole Facility*	Term Loan/RCF, USD 60	Term SOFR + 2.25%	March 2027	16 765
Nordea/Danske Bank Facility**/***	Term Loan, USD 80 million	Term SOFR + CAS + 2.1%	December	53 881
Capitalized loan fees				(2 443)
Mortgage debt 31 December 2024				**153 758**

** Potential margin adjustments up to +/- 10 bps once every year based on emission performance.*
*** Potential margin adjustments up to +/- 5 bps once every year based on emission performance.*
**** CAS=Credit Adjusted Spread. For three months Term SOFR, the CAS is approx 0.26%*

In December 2024, the group made a drawdown of USD 10 million under the DNB/SEB/SRB/SPV revolving credit facility (RCF).

Interest rate derivative agreements have been entered into to reduce risk related to potential interest rate increases. Refer to note 4 on operational and financial risks and note 35 on hedging for details about interest rate risk reduction. Related guarantee and collateral is listed in note 36. The mortgage falling due within one year is presented as short-term liability, note 33.

Covenants

The credit facilities impose restrictions which may limit or prohibit change of control, change of business and so forth without the consent of the lenders (non-financial covenants). The lenders may accelerate the maturity of the indebtedness under financing agreements and foreclose upon the collateral securing the indebtedness upon the occurrence of certain events of defaults.

The credit facilities also contain financial covenants related to equity, cash and debt service ability. In addition, all secured loans for vessels contain minimum value clauses related to the value of the vessels compared to outstanding loan. Certain cross-default exists. The credit facilities also contain certain restrictions on dividends. The group is in compliance with all covenants at 31 December 2024.

Securities

As security for the mortgage debt, the subsidiaries KCC Shipowning AS and KCC Bass AS have provided a first priority pledge in all vessels built after 2002 (13 out of 16 vessels), security in earnings accounts, and assignment of the earnings and insurances of the vessels in favour of the creditors. As security for the overdraft facility, the subsidiary KCC Chartering AS has provided security in receivables, inventory and tangible assets.

29 Long-Term Bond Loan

In May 2024, KCC issued NOK 300 million in bonds in a tap issue under the KCC05 bond. The issue price was 104.26% of par and the total outstanding amount under the KCC05 bond loan after the tap issue is NOK 800 million. The NOK 300 million was converted to USD floating rate through cross currency interest rate swaps.

In July 2024, KCC exercised the call option to voluntary early redeem all outstanding bonds (NOK 191.5 million) under the Klaveness Combination Carriers ASA FRN Senior Unsecured NOK 700,000,000 Bonds 2020/2025 (KCC04). KCC held NOK 508.5 million of the outstanding bonds after a repurchase of the KCC04 bond issue in September 2023. The redemption price was 100.75% of the nominal amount for each redeemed bond plus accrued and unpaid interest. All related swaps were terminated.

	Face value		Carrying amount (USD '000)	
Bond loan	NOK'000	Date of maturity	31.12.2024	31.12.2023
KCC04	700 000	11.02.2025	76 390	76 390
Realized exchange rate gain at buyback			-	(7 208)
Buyback KCC04 (Q3 2023)	(191 500)		(54 978)	(54 978)
Buyback KCC04 (Q3 2024)	(508 500)		(21 411)	-
Exchange rate adjustment			-	4 837
Capitalized expenses			-	(86)
Bond discount			-	(82)
Currency adjustment NGAAP hedge			-	(182)
Total KCC04	**-**		**-**	**18 691**
KCC05	500 000	05.09.2028	47 077	46 971
Exchange rate adjustments			(4 529)	2 035
Tap issue KCC05 (Q2 2024)	300 000		28 011	-
Currency adjustment NGAAP hedge			4 576	-
Capitalized expenses			(970)	(711)
Bond premium			1 037	-
Total KCC05			**75 201**	**48 295**
Bond loan as of 31 December	**800 000**		**75 201**	**66 986**

30 Related Parties

For some transactions Torvald Klaveness is counterpart to persons and companies affiliated with the shareholders of the parent company, Rederiaksjeselskapet Torvald Klaveness. Services delivered by Torvald Klaveness to these persons and companies include accounting and administration of investments. In addition some affiliated companies and persons have extended loans to companies within the group.

The level of fees and interests in this respect are based on market terms and are in accordance with the arm's length principle.

Long-Term Liabilities:

USD '000		31.12.2024		31.12.2023	
Company	Interest Rate	Interest	Liabilities	Interest	Liabilities
THK Holding AS	NIBOR 6m + margin	95	1 931	-	-
MMK Holding AS	NIBOR 6m + margin	116	2 367	-	-
JWI Holding AS	NIBOR 6m + margin	46	945	-	-
Total long-term liabilities to related parties		**162**	**5 244**	**-**	**-**

THK Partner AS, MMK Holding AS and JWI Holding AS together own 100% of Rederiaksjeselskapet Torvald Klaveness. Trond Harald Klaveness is the ultimate shareholder of THK Partner AS, MMK Holding AS and JWI Holding AS.

30 Related Parties (cont.)

Short-Term Liabilities:

USD '000		31.12.2024		31.12.2023	
Company	Interest Rate	Interest	Liabilities	Interest	Liabilities
Trond Harald Klaveness	Risk-free interest rate	2	47	2	65
Morten Mathias Klaveness	Risk-free interest rate	11	169	10	353
Jan Wilhelm Klaveness	Risk-free interest rate	12	159	12	425
Total short-term liabilities to related parties		**25**	**375**	**24**	**843**

Long-Term Receivables:

USD '000		31.12.2024		31.12.2023	
Company	Interest Rate	Interest	Receivables	Interest	Receivables
THK Equity AS	NIBOR 3m + margin	206	5 244	-	-
Total long-term receivables from related parties		**206**	**5 244**	**-**	**-**

THK Equity AS is owned by Trond Harald Klaveness, Morten Mathias Klaveness and Jan Wilhelm Klaveness.

31 Accounts Payable

(USD '000)	31.12.2024	31.12.2023
Accounts payable to charterers	13 571	10 777
Accounts payable to owners	2 061	3 778
Accounts payable to brokers	497	706
Other accounts payable - exchange rate adj	(152)	(92)
Accounts payable	**15 977**	**15 169**

32 Accrued Expenses

(USD '000)	31.12.2024	31.12.2023
Accrued interest expenses	824	1 144
Accrued voyage expenses	19 191	15 174
Other accrued expenses	4 466	13 441
Accrued expenses	**30 327**	**29 759**

33 Short-Term Interest-Bearing Debt

(USD '000)	31.12.2024	31.12.2023
First-year installments of long-term debt	25 199	25 199
Short-term debt related parties	375	843
Short-term liability to financial institutions*	9 099	10 713
Total short-term interest-bearing debt	**34 674**	**36 754**

First-year installments of long-term debt have been reclassified to short-term debt. Refer to note 28 for details on the loans.

Short-term debt to related parties consists of debt to persons affiliated with the shareholders of Rederiaksjeselskapet Torvald Klaveness. Refer to note 30 for information regarding related parties.

** The group has a short-term drawing right of USD 15 million with DnB Bank ASA. This overdraft facility is renewed annually. Per year-end 2024 the unused part of the overdraft facility (ODF) was USD 5.9 million, refer to note 25.*

34 Other Short-Term Liabilities

(USD '000)	31.12.2024	31.12.2023
Received market-to-market margin on cleared FFAs	126	94
Unearned income	14 612	18 783
Public duties payable	376	433
Payables related to wages and crewing	1 798	2 015
Provisions for losses	930	-
EU ETS liability	290	-
Other short-term liabilities	14 559	30 387
Other short-term liabilities	**32 692**	**51 712**

35 Hedging

Torvald Klaveness uses financial instruments to hedge against certain financial risks. In 2024, forward freight agreements have been used to hedge against market fluctuations; fuel swaps have been used to hedge against fluctuations in the bunkers market; interest rate swaps have been used to hedge against interest rate fluctuations; and foreign exchange currency contracts have been used to hedge against currency rate fluctuations.

Cash flow hedges are recorded in the profit and loss account in the same period as the cash flow from the associated asset or physical contract. Fair value hedges are reflected in the book value of the underlying asset, and gains or losses in the fair value of the value hedging instrument are recognized immediately in the profit and loss account.

Forward freight agreements and fuel swaps are generally entered into on a year-to-year basis.

35 Hedging (cont.)

(USD '000)			2024		2023	
Hedging object	Hedging instrument	Hedge included in P&L line	P&L effect	Market value	P&L effect	Market value
Cash flow hedges:						
Pool income	Forward freight	Gross revenues from operation of vessels	(1 135)	234	(1 809)	(42)
Freight income	Forward freight agreements	Net income/(loss) from physical and financial freight agreements	6 825	(780)	177	1 893
Bunkers cost	Fuel swaps	Net income/(loss) from physical and financial freight agreements	114	482	1 163	(302)
Bunkers cost	Fuel swaps	Operation of vessels and voyage related expenses	(294)	(179)	(2 340)	94
Salaries in NOK	Foreign exchange currency contracts	Salary related expenses	(502)	(502)	1 198	1 198
Sum hedging			**5 009**	**(744)**	**(1 611)**	**2 841**

36 Guarantee Liabilities and Collateral

All guarantees and collaterals described below are provided by subsidiaries of Rederiaksjeselskapet Torvald Klaveness and represents the maximum guarantee liability related to the loan facilities listed. The amount includes any unpaid amount of interest, cost and expenses under the Finance Documents and/or the Hedging Agreements.

In favour of external parties:		
Guarantee to	Guarantee description	Amount
DNB/SEB/SR-Bank/Sparebanken	Guarantee for a loan agreement of USD 190 million in KCC Shipowning AS	USD 230 million
Nordea/Cred. Agricole	Guarantee for a loan agreement of USD 60 million in KCC Shipowning AS and KCC Bass AS	USD 72.0 million
Nordea/Danske	Guarantee for a loan agreement of USD 80 million in KCC Shipowning AS	USD 96.0 million

37 Business Unit Held For Sale

Klaveness Ship Management AS (KSM) is a wholly owned subsidiary of the group, specializing in delivering comprehensive services to KCC and its fleet of 16 vessels. The company offers technical and commercial ship management services and consultancy, as well as services related to newbuilding and vessel modification projects.

On October 23, 2024 the group announced the sale of 100% of the shares in KSM to OSM Offshore AS (note 3). The subsidiary has been sold with a minor profit over book value. The decision was driven by the need for greater scale and investment capacity to meet future industry demands, and to further develop ship management activities related to KCC. The agreement safeguards the continuity of KCC's technical management through an integrated operating model, with the dedicated team of experienced professionals continuing to work exclusively for KCC. As part of the agreement, certain employees from KSM will be transferred to the group with effect from 2025. In relation to the sale of KSM, some of the employees in Klaveness Shore Services Inc. was also transferred to OSM. The presentation below outlines the ship management segment before intercompany eliminations, which was sold to OSM in January 2025.

37 Business Unit Held For Sale (cont.)

Profit & loss from business unit held for sale	2024		2023
(USD '000)	Part held for sale	KSM total	KSM total
Operating revenue	6 304	10 447	9 780
Operating expenses	(5 298)	(9 367)	(8 677)
Financial income and expenses	21	218	229
Tax on ordinary result	(258)	(327)	(317)
Profit/(loss) for the year	**769**	**973**	**1 014**

Balance sheet from business unit held for sale (group numbers)	31.12.2024	31.12.2023
(USD '000)		
Fixed assets	143	436
Current assets	2 487	1 444
Short-term liabilities	(1 977)	(2 469)

Result, assets and liabilities related to KSM are presented along with the other business of the group in 2024.

Parent Company

Rederiaksjeselskapet Torvald Klaveness

Parent Company

Income Statement - Parent Company

(USD '000)	Notes	2024	2023
Operating expenses	2, 3	(5 840)	(11 510)
Total operating expenses		**(5 840)**	**(11 510)**
Operating profit/(loss)		**(5 840)**	**(11 510)**
Financial income and expenses			
Income from subsidiaries	4	34 103	55 593
Gain/(loss) from sale of shares in subsidiaries	4	13 069	(273)
Impairment subsidiaries / reversal	4	(14 151)	(16 936)
Net interest income/(expenses), group companies		(569)	1 213
Net other financial income/(expenses)		1 151	332
Net currency gain/(loss)		594	776
Net financial income/(expenses)		**34 197**	**40 705**
Profit/(loss) before taxes		**28 357**	**29 195**
Taxes	5	542	992
Profit/(loss) for the year		**28 899**	**30 187**

Balance Sheet - Parent Company

(USD '000)	Notes	31.12.2024	31.12.2023
Assets			
Fixed assets			
Deferred tax asset	5	5 361	4 819
Work in progress		85	-
Total intangible fixed assets		**5 447**	**4 819**
Investments in subsidiaries	4	337 874	322 395
Total fixed assets		**337 874**	**322 395**
Current assets			
Receivables, group companies	6	4 704	22 571
Other accounts receivables		13	3
Bank deposits	7	31 984	7 638
Total current assets		**36 701**	**30 212**
TOTAL ASSETS		**380 022**	**357 426**
Equity and liabilities			
Equity			
Paid-in-capital			
Share capital (10 000 shares of NOK 5 099,82)		8 153	8 153
Other paid in equity		10 855	10 855
Retained earnings			
Other equity		322 222	293 323
Total equity	8	**341 231**	**312 331**
Liabilities			
Long-term liabilities			
Loan, group companies	9	11 924	12 293
Total long-term liabilities		**11 924**	**12 293**
Current liabilities			
Short-term liabilities, group/related companies	10	24 851	25 239
Provision dividend	8	-	2 500
Other short-term liabilities	11	2 016	5 063
Total current liabilities		**26 867**	**32 802**
Total liabilities		**38 791**	**45 095**
TOTAL EQUITY AND LIABILITIES		**380 022**	**357 426**

Rederiaksjeselskapet Torvald Klaveness
Oslo, 27 March 2025

Trond Harald Klaveness
Chair

Christian Rynning-Tønnesen

Christian Rynning-Tønnesen
Board Member

Elisabeth Heggelund Tørstad
Board Member

Ernst André Meyer
Chief Executive Officer

Rebekka Glassser Herlofsen
Board Member

Cash Flow Statement - Parent Company

For the year ended 31 December (USD '000)	2024	2023
Profit/(loss) before taxes	28 357	29 195
Impairments/reversal of impairments	14 151	16 936
Income from subsidiaries	(47 172)	(55 665)
Change in current assets	336	1 416
Change in current liabilities	(2 227)	(11 599)
Other non-cash items	584	74
Effect from change in exchange rate	(1 570)	(776)
Net cash from operating activities (1)	**(7 540)**	**(20 419)**
Income from subsidiaries	42 295	41 263
Sale of shares in subsidiaries	17 500	-
Investment in subsidiaries	(1 596)	(29 467)
Net cash from investing activities (2)	**58 199**	**11 796**
Increase in long-term loans to group companies	-	(4 000)
Downpayment loan to group companies	(1 670)	-
Increased loan to group companies	(10 974)	-
Increase in long-term liabilities to group companies	-	2 743
Paid dividend	(2 500)	(11 000)
Paid group contribution	(13 385)	(11 522)
Received group contribution	2 215	19 208
Net cash from financing activities (3)	**(26 313)**	**(4 571)**
Net increase/decrease (-) in cash (1+2+3)	**24 346**	**(13 194)**
Cash at January 1	7 638	20 832
Cash at December 31	31 984	7 638
Net increase/decrease (-) in cash	**24 346**	**(13 194)**

Notes

01 Accounting Principles

The financial statements are prepared in accordance with the Norwegian Accounting Act and Norwegian Generally Accepted Accounting Principles.

Investment in subsidiaries

Investments in subsidiaries are stated according to the historical cost method. If there is a decrease in value that is not temporary, the shares are written down. Previously recognised impairments are reversed if the reason for the impairments no longer exists.

For other accounting principles refer to group accounting principles.

02 Operating Expenses

(USD '000)	2024	2023
Remuneration to the Board of Directors	(165)	(200)
Audit fee	(55)	(39)
Other expenses	(5 620)	(11 271)
Total operating expenses	**(5 840)**	**(11 510)**

There are no employees in Rederiaksjeselskapet Torvald Klaveness. The Chief Executive Officer (Mr. Ernst Andrè Meyer) was per December 31, 2024 employed in Klaveness AS. Remuneration costs are specified in the group notes.

Rederiaksjeselskapet Torvald Klaveness is charged with owner's costs from Klaveness AS. This includes both services provided by Klaveness AS on behalf of Rederiaksjeselskapet Torvald Klaveness as well as allocation of costs generated on behalf of the owners. The cost allocation also includes remuneration of key management.

03 Remuneration to Auditor

(USD '000)	2024	2023
Auditing ex. VAT, statutory	(55)	(39)
Tax and other services ex. VAT	(5)	(6)
Total remuneration to the auditor	**(60)**	**(45)**

04 Investments in Subsidiaries

(USD '000) Subsidiaries (acquisition year)	Share capital	Book value 2023	BV changes in 2024	Book value 2024
Klaveness Finans AS, Oslo (2008)*	NOK 383	60 470	32 460	92 930
Klaveness Container AS (2013)	NOK 71 752	12 418	-	12 418
Klaveness Combination Carriers ASA (2018)	NOK 60 458	203 993	-	203 993
Klaveness AS, Oslo (2011)	NOK 153	5 731	-	5 731
Klaveness Digital AS (2017)**	NOK 400	21 560	(12 551)	9 009
Klaveness Dry Bulk AS (2021)***	NOK 200	17 723	(4 431)	13 292
Klaveness Asia Pte.Ltd, Singapore (2006)	USD 1 000	500	-	500
Total investments in subsidiaries		**322 395**	**15 479**	**337 874**

**Per year-end the company provided a group contribution to Klaveness Finans AS of USD 32.5 million, refer to note 6 and note 10.*

*** A capital increase of USD 1.6 million and impairment of USD 14.2 million was booked in 2024. The valuation is based on a multiple of sales (next twelve months).*

**** 25% of the shares in Klaveness Dry Bulk AS was sold to Lilac Investments Co.,Ltd in January 2024.*

(USD '000) Income from subsidiaries	Dividend	Gain/loss from sale of subsidiaries	Total income
Klaveness Combination Carriers ASA (2018)	34 103	-	34 103
Klaveness Dry Bulk AS (2021)*	-	13 069	13 069
Income from subsidiaries	**34 103**	**13 069**	**47 172**

** Gain from the sale of 25% of the shares in Klaveness Dry Bulk AS to Lilac Investment Co.,Ltd*

05 Taxes

(USD '000) Income taxes consist of:	2024	2023
Change in deferred tax / deferred tax asset	542	992
Total tax income / (expense)	**542**	**992**

** The 2023 figures have been restated below due to a wrong treatment of a permanent difference. This changes permanent differences and tax loss carried forward for 2023. Total tax income (expense) is not affected.*

Taxable income:	2024	2023	2023
Profit/(loss) before tax	28 357	29 195	29 195
Permanent differences	(28 511)	(34 256)	(34 579)
Change in temporary differences	(2 562)	5 739	5 739
Group contribution with tax effect	-	10 027	10 027
Tax loss carried forward / (use of tax loss carried forward)	2 716	(10 706)	(10 345)
Taxable income	-	-	-

05 Taxes (cont.)

Reconciliation of the effective tax rate:	2024	2023
Profit/(loss) before tax	**28 357**	**29 195**
Expected income tax (22%)	(6 239)	(6 423)
Tax effect of dividend from subsidiary included as income and impairment of subsidiary	-	3 708
Tax effect on shares	7 040	4 947
Tax effect on change in loss carried forward	(597)	2 276
Tax effect of non deductible expenses	(481)	(463)
Change in deferred tax	542	1 103
Tax effect of group contribution from subsidiary included as income	-	(2 206)
Exchange rate differences	(287)	(687)
Change in temporary differences	564	(1 263)
Total tax income / (expense)	**542**	**992**

Deferred tax asset / deferred tax:	2024	2023
Tax loss carried forward (tax effect)	3 939	4 377
Other temporary differences	556	1 087
Limitation of interest rate deduction	867	963
Deferred tax asset not recognised in balance sheet	-	(1 608)
Net recognised deferred tax asset / (deferred tax)	**5 361**	**4 819**
Change deferred tax asset / deferred tax	**542**	**992**

06 Receivable Group Companies

(USD '000)	31.12.2024	31.12.2023
Klaveness Finans AS	-	2 307
Klaveness Digital AS	1 511	-
Klaveness Ship Management AS	-	2 315
Klaveness Combination Carriers ASA	3 193	11 389
AS Klaveness Chartering	-	6 561
Total receivables, group companies	**4 704**	**22 571**

As of year-end 2024, the company had a short-term loan to Klaveness Finans AS of USD 9 million, with interest set to 3M NIBOR + margin, which is offset by a group contribution at year-end, refer to note 10. The company also had a short-term loan to Klaveness Digital AS of USD 1.5 million with 90 days average SOFR + margin, which was settled in 2025, refer to note 12.

07 Bank Deposits

(USD '000)	31.12.2024	31.12.2023
Bank deposits, NOK	8 281	3 023
Bank deposits, USD	23 703	4 615
Total bank deposits	**31 984**	**7 638**

08 Equity

(USD '000) 2024	Share capital	Other paid-in capital	Other equity	Total equity
Equity at 1 January 2024	**8 153**	**10 855**	**293 323**	**312 331**
Profit/(loss) for the year	-	-	28 899	28 899
Equity at 31 December 2024	**8 153**	**10 855**	**322 222**	**341 231**

(USD '000) 2023	Share capital	Other paid-in capital	Other equity	Total equity
Equity at 1 January 2023	**8 153**	**10 855**	**276 636**	**295 644**
Profit/(loss) for the year	-	-	30 187	30 187
Proposed dividend	-	-	(2 500)	(2 500)
Dividends	-	-	(11 000)	(11 000)
Equity at 31 December 2023	**8 153**	**10 855**	**293 323**	**312 331**

For information regarding ownership, refer to group notes.

09 Loan, Group Companies

(USD '000)	Interest rate	31.12.2024	31.12.2023
Loan from Klaveness Container AS	NIBOR 3m + margin	11 924	12 293
Total loan, group/related companies		**11 924**	**12 293**

The loan from Klaveness Container AS is in NOK and falls due in 2029. The amount includes capitalized interest.

10 Short-Term Liabilities, Group/Related Companies

(USD '000)	31.12.2024	31.12.2023
AS Klaveness Chartering	-	6 654
Klaveness AS	1 507	689
Klaveness Finans AS	23 344	17 896
Total short-term liabilities, group/related companies	**24 851**	**25 239**

At year-end, the company is giving a group contribution without tax effect of USD 32.5 million to Klaveness Finans AS. The group contribution is to be partly settled against the outstanding short-team loan, including incurred interests, refer to note 6.

11 Other Short-Term Liabilities

(USD '000)	31.12.2024	31.12.2023
LTIP provision	1 995	5 049
Accounts payable	21	14
Total other short-term liabilities	**2 016**	**5 063**

12 Events After the Balance Sheet Date

On January 20, 2025 the company carried out a capital increase of USD 3.017 million in Klaveness Digital AS, consisting of a cash injection of USD 1.5 million and a conversion of an existing loan of USD 1.517 million.

Skattedirektoratet

Saksbehandler
Torstein Kinden Helleland

Telefon
22078139

Deres dato
20.04.2009

Deres referanse
Baard Haugen

28 JAN. 2010

Vår dato
25.01.2010

Vår referanse
2009/275763

KLAVENESS CORPORATE SERVICES AS
Postboks 182 Skøyen
0212 OSLO

Søknad om tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Torvald Klaveness-gruppen

Det vises til Deres brev av 20. april 2009 og 12. november 2009 samt telefonsamtale i sakens anledning. De søker på vegne av Torvald Klaveness-gruppen om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk.

Torvald Klaveness-gruppen omfatter følgende selskaper;

Rederiaksjeselskapet Torvald Klaveness	**org. nr. 932 578 247**
Klaveness Corporate Services AS	**org. nr.963 109 466**
Klaveness Finans AS	**org. nr. 993 345 911**
Klaveness Maritime Logistics AS	**org. nr. 985 303 665**
AS Klaveness Chartering	**org. nr. 913 419 472**
Klaveness Cement Logistics AS	**org. nr. 988 306 428**
T Klaveness Shipping AS	**org. nr. 963 109 288**
Klaveness Ship Investments AS	**org. nr. 988 247 081**
Klaveness Invest AS	**org. nr. 988 913 685**
Bulkhandling Cabu AS	**org. nr. 984 094 280**
Bulkhandling Beltunloader AS	**org. nr. 984 094 191**
Bulkhandling Handymax AS	**org. nr. 984 094 256**
Baumarine AS	**org. nr. 979 964 684**
Bulkhandling Handysize AS	**org. nr. 984 094 221**
KCL Shipholding AS	**org. nr. 986 500 472**

Torvald Klaveness-gruppen er en norskeiet selskapsgruppe som er engasjert hovedsakelig i shipping samt i fast eiendom og finansielle investeringer. Gruppens hovedkontor er i Oslo. I tillegg har gruppen operative kontorer i Singapore, Beijing og Manila. Det er opplyst at bakgrunnen for søknaden er at gruppen ønsker å avlegge årsoppgjør på engelsk fordi dette vil bidra til en administrativ forenkling. Gruppen bruker i dag engelsk som arbeidsspråk. All regnskapsdokumentasjon, arbeidsutkast til styreberetning, regnskap og noter m.v. utarbeides på engelsk. Regnskapslovens hovedregel som tilsier at årsoppgjøret må avlegges med norsk tekst, medfører en omfattende oversettelse av alle styreberetninger og regnskaper med noter som en del av arbeidet med årsoppgjøret. Dette er et merarbeid som ikke er verdiskapende eller nødvendiggjøres av reelle hensyn og som vi ønsker å unngå.

Eierne av gruppen er fire holdingselskaper som igjen eies av brødrene Tom Erik og Trond Harald Klaveness samt deres barn. Begge hovedeiere er aktivt involvert i driften av gruppen som henholdsvis

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styreleder og administrerende direktør. Det er ingen eksterne eierinteresser ut over disse familiene. Gruppens finanskreditorer er i hovedsak norske finansinstitusjoner. Dette er imidlertid banker som er svært aktive i internasjonal shipping- og næringsfinansiering og som ikke har noe problem med å forholde seg til engelsk som arbeidsspråk. Gruppens leverandører og øvrige kreditorer vil også normalt være selskap som leverer varer og tjenester til rederisektoren, en sektor som av sterk internasjonal karakter. Det må legges til grunn at disse ikke vil ha noe problem med å forholde seg til engelsk som arbeidsspråk. Flertallet av gruppens landbaserte ansatte er av norsk nasjonalitet og har Oslo som arbeidssted. Utekontorene har primært ikke-norske ansatte og vi har også et innslag av ikke-norske ansatte ved kontoret i Oslo. Blant annet av denne grunn har gruppen for et par år tilbake besluttet å benytte engelsk som arbeidsspråk. I dag er det trykte årsoppgjøret som sendes eksterne forretningsforbindelser, deles ut blant ansatte m.v., kun på engelsk.

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

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:
"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som sentrale verktøy i sin kontrollvirksomhet.

Det er etter Skattedirektoratets vurdering derfor avgjørende at spørsmål om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, ikke på vesentlige områder fraviker fra hensynet til brukere av regnskapsinformasjon. Søkeren må som et utgangspunkt for vurderingen ha en særlig interesse for kun å utarbeide årsregnskap og/eller årsberetning på et annet språk enn norsk.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det framgår av søknaden at alle aksjonærene ønsker at årsregnskapet utarbeides på engelsk språk. Gruppen opererer inne en sektor med sterk internasjonal karakter og arbeidsspråket er engelsk. Dette er imidlertid banker som er svært aktive i internasjonal shipping- og næringsfinansiering og som ikke har noe problem med å forholde seg til engelsk som arbeidsspråk. Gruppens leverandører og øvrige kreditorer vil også normalt være selskap som leverer varer og tjenester til rederisektoren, en sektor som av sterk internasjonal karakter.

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

Dispensasjonen er gitt under den forutsetning at de ovennevnte opplysninger som vedtaket baserer seg på ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Jan Hoelstad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland