



WESTERN STABAEK

First Half Year  
Report  
2024

Western Bulk



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Fleet Performance Analyst  
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## 01. Key Figures and Highlights

WB CHARTERING GROUP (USDM)	1H 2024	1H 2023	FULL YEAR 2023	FULL YEAR 2022	FULL YEAR 2021
Gross revenues	647.4	574.2	1 117.6	1 615.8	1 487.9
Net TC result <sup>1)</sup>	15.1	7.0	9.3	116.0	137.9
Administrative expenses	12.8	12.2	25.1	47.6	50.7
EBITDA <sup>1)</sup>	2.4	-5.2	-15.8	68.5	87.2
<b>Net profit (loss) after tax <sup>1)</sup></b>	<b>2.5</b>	<b>-4.8</b>	<b>-15.6</b>	<b>66.0</b>	<b>81.0</b>
Net TC Margin per ship day (USD) <sup>1)</sup>	626	310	202	2 870	3 376
Average number of ships operated	133	125	126	111	112
Total assets	118.1	150.7	119.8	162.6	196.6
Book equity	55.0	63.3	52.5	68.1	51.1
Total liabilities	63.1	87.5	67.4	94.5	145.5
Interest bearing debt	-	-	-	-	3.4
Free cash	12.7	47.1	32.9	57.1	108.3
Restricted cash	9.9	23.0	7.5	11.7	13.9
<b>Total cash</b>	<b>22.5</b>	<b>70.1</b>	<b>40.4</b>	<b>68.8</b>	<b>122.1</b>

<sup>1)</sup> 1H 2024 and 1H 2023 Net TC including USD +3.4 million gain and USD -2.7 million loss on positional FFA's (Forward Freight Agreements). Full year 2023, Full year 2022 and Full year 2021 Net TC including USD -3.8 million loss, USD 3.8 million gain and USD 24.2 million gain. These are derivative positions not qualifying as a hedge, hence booked as financial items in the financial statements in chapter 4.



## Comments to the results

For the first half of 2024, Western Bulk generated a net profit after tax of USD 2.5 million, compared to a net loss after tax of USD -4.8 million for the first half of 2023. Net TC reached USD 15.1 million in the first half of 2024, up from USD 7.0 million in the same period in 2023.

Entering the year, the company held a long market position with more vessel than cargo commitments. This proved beneficial as the BSI averaged at almost USD 14,000/day, 17% higher than in the same period last year. To a large degree, the profit from the long position has been reinvested in repositioning of vessels from the Pacific to the Atlantic market, taking advantage of an exceptionally strong back haul market driven by steel exports out of China. As per normal seasonality, the Atlantic market is expected to outperform the Pacific market in H2-24 as the US grain export season starts, while South Atlantic volumes are expected to remain at healthy levels. Consequently, both fixtures within the Atlantic and front haul fixtures from the Atlantic to the Pacific are expected to contribute to positive results in H2-24.

Net TC Margin per ship day for the first half of 2024 reached USD 626 compared to USD 310 for the same period in 2023.

The average number of vessels in the first half of 2024 was 133 compared to 125 vessels for the same period in 2023. Operated vessels as per 30.06.2024 was 141. The fleet growth was mainly driven by a fully operational Panamax team with a volume increase from 6 vessels at the start of the period to 16 at the end of H1-24.

Administration expenses increased slightly to USD 12.8 million in the first half of 2024, from USD 12.2 million for the first half of 2023. The increase was mostly due to higher bonus accruals following improved results.

There were no significant related party transactions during the period.

## Financing and available cash

At the end of the period Western Bulk had USD 12.7 million in free cash and no outstanding interest-bearing debt. Free cash decreased by USD 20.2 million during the first half of 2024, mostly due to higher working capital related to higher volume and repositioning of vessels from the Pacific to a higher paying Atlantic basin. Restricted cash increased by USD 2.4 million during the first half of 2024, mostly caused by increased initial margin requirements for the growing derivatives portfolio.

Western Bulk has two working capital facilities with credit lines totaling USD 35 million. A facility of USD 10 million related to bunker purchases and an overdraft facility of USD 25 million. As of 30.06.2024 the company had no outstanding drawings on either of the facilities.

## Company update

Torbjørn Gjervik has been promoted from within the organization to Group CEO with effect from 1<sup>st</sup> of September 2024. He has a strong commercial track record and is currently heading the North Atlantic team. Previously he has headed the Pacific team based in the Singapore office. Mr Gjervik joined the company as a trainee in 2011.

Joachim Frantsen has been appointed Head of the North Atlantic team from 1<sup>st</sup> of September 2024. He succeeds Torbjørn Gjervik who has been appointed Group CEO.

Amit Jakhmola has been appointed Head of the Indian Ocean team from 1<sup>st</sup> of September 2024. He succeeds Mohneesh Bhutani who will fully dedicate to the company's growth within the Panamax segment as Head of Panamax. The Panamax team is now fully operational with a global presence, and volume increased from 6 to 16 vessels over the period.

The Board of Directors has decided not to declare a dividend for Q2-24 as working capital headroom is needed for volume growth. The position will be revisited for Q3-24.

In July 2024 the company exercised a purchase option and sold the MV Western Oslo in a back-to-back deal, realizing USD 4.5 million in profit to be recorded in Q3-24.



## 02. Dry Bulk Market Highlights

H1 2024 proved to be a strong first half for the dry bulk market. The Baltic Supramax Index 58' (BSI) averaged at USD 13,975/day in H1 2024, 17% higher than the USD 11,974/day achieved in H2 2023 and 33% higher than H1 2023. The spread between Atlantic and Pacific markets averaged at USD 924/day, which is significantly down from the very high spread in H2 2023, but also lower than H1 2023 which averaged at USD 2,151/day.

Driven by geopolitical events in the Middle East which have caused most of the dry bulk fleet to avoid the Red Sea area and limited transits through Panama Canal due to draft issues, the supply disruptions have played a big part in the strong rates seen in H1 2024, which have increased the average days spent at sea by about 6% compared to H1 2023 according to AIS data. However, freight demand has also been healthy with overall global tonnes exported up by about 5% according to AXSMarine AIS data. Sub-Cape exports were up about 6%.

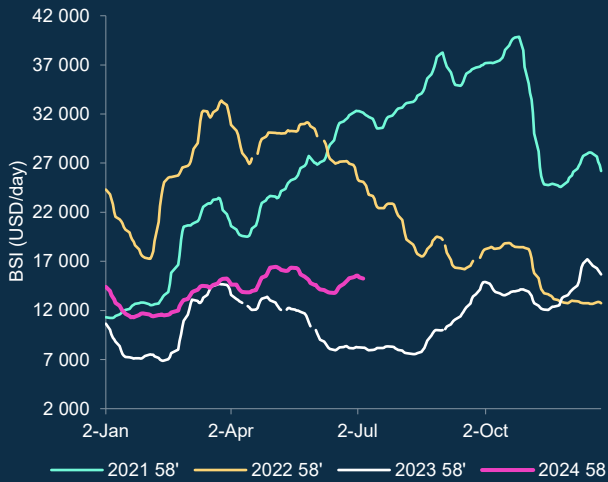
This, combined with another period of strong Chinese imports of dry bulk commodities saw the Pacific Supramax index (average of S2\_58, S8\_58 and S10\_58) average at USD 12,738/day which is up 43% compared to H1 2023. Chinese imports of iron ore, coal and bauxite continued at very healthy levels and overall Chinese seaborne imports of dry bulk materials were up 6,6% compared to H1 2023 according to AIS data. Despite a continued weak real estate sector, Chinese imports of iron ore were up by 6% as China continues to build stocks. Due to the weak domestic steel demand, China also continues to export record amounts of steel products. Mainly to close neighbours like Vietnam, but also Europe which have supported the backhaul rates. As we headed into summer, the Pacific market weakened as per normal seasonality, however a floor was quickly found, and the Pacific index ended the first half of the year at healthy USD 14,507/day.

For the Atlantic market H1 2024 also saw strong rates, with average trans-Atlantic rates at USD 13,662/day, up 24% compared to H1 2023. On top of positive effects from the supply inefficiencies, grain exports from South America contributed strongly to the rates as Argentina exports increased by about 70% compared to H1 2023 due to better crops. In addition, West Africa continues to increase their exports of dry bulk commodities which were up by about 32% vs H1 2023 for the sub-Cape segments. In the North Atlantic, gains in tonnes exported were mainly driven by strong coal and pet coke exports from US to India and grain exports out of Black Sea as Ukraine exports have improved by almost 75% vs H1 2023 according to AIS data. The Atlantic market end the first half of the year with average trans-Atlantic rates at USD 13,716/day.

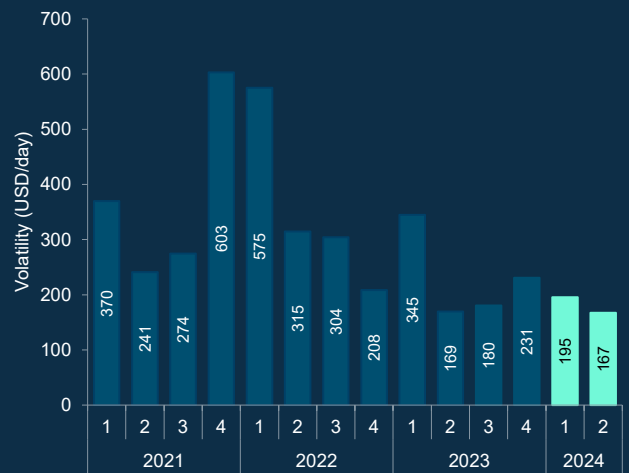
Looking ahead to the second half of 2024, we are optimistic for the dry bulk markets as continued supply inefficiencies combined with strong exports out of especially the Atlantic is expected to continue to support the market. Despite the draft situation in the Panama Canal improving due to change from El Niño to La Niña climate pattern, disruptions from the geopolitical situation in the Red Sea are expected to remain in place. However, a large order book for especially the Supramax and Ultramax segment could cap the upside for the geared bulkers. As per normal seasonality we expect the Atlantic markets to outperform the Pacific as the US grain export season starts while South Atlantic volumes are expected to remain at healthy levels. Main potential downsides to this scenario are weaker Chinese imports as their dry bulk stocks are high in addition to easing of the situation in the Red Sea, although the latter seems unlikely to be solved within this year.



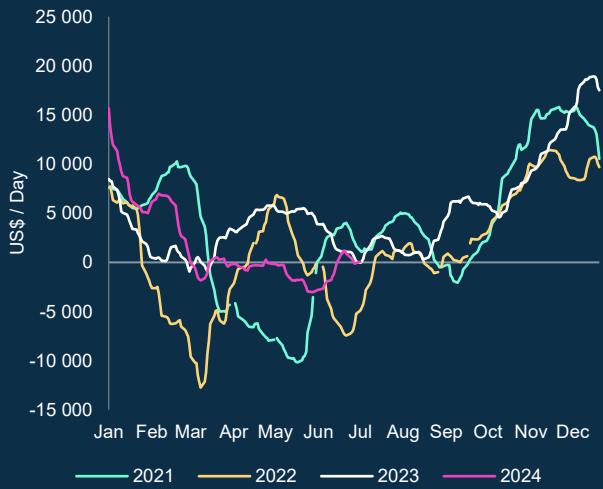
### BALTIC SUPRAMAX INDEX



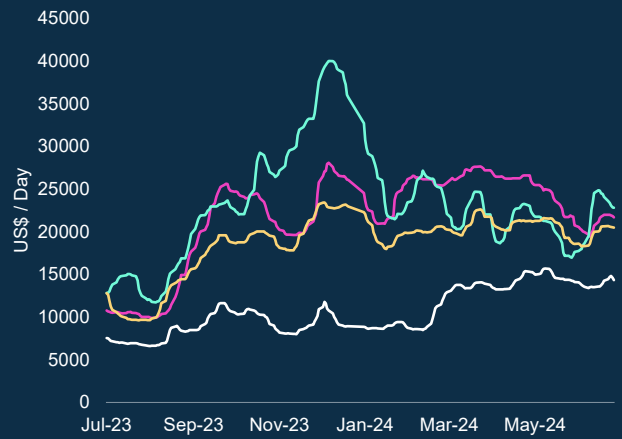
### VOLATILITY IN BALTIC SUPRAMAX INDEX



### BSI ATLANTIC-PACIFIC SPREAD



### BSI SELECTED ROUTES



— S1B Med-FEast      — S1C USG-FEast  
— S2 Trans Pacific      — S5 ECSA-FEast



Western Bulk's main risk factors are described in Western Bulk Chartering's annual report for 2023, which is available at [www.westernbulk.com](http://www.westernbulk.com).

OSLO, 15.08.2024

THE BOARD OF DIRECTORS OF WESTERN BULK CHARTERING AS

**BENGT A. REM**  
CHAIRMAN

**KRISTIAN HUSEBY**  
BOARD MEMBER

**ØRJAN SVANEVIK**  
INTERIM CEO AND  
BOARD MEMBER

## DISCLAIMER

This report includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for Western Bulk Chartering AS and its subsidiaries and affiliates (the "Group") lines of business. These expectations, estimates, and projections are generally identifiable by statements containing words such as "expects," "believes," "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the Group's businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although the Group believes that its expectations and the information in this release were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this release. Neither Western Bulk Chartering AS nor any other company within the Group is making any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in the release, and neither Western Bulk Chartering AS, any other company within the Group nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the release. This release speaks of the date hereof and Western Bulk Chartering AS undertakes no obligation to publicly update or revise any forward-looking information or statements in the release, other than what is required by law. The Group consists of many legally independent entities, constituting their own separate identities. Western Bulk Chartering AS is used as the common brand or trademark for most of these entities. In this release we may sometimes use "Group", "we," or "us," when we refer to Western Bulk Chartering's Group companies in general or where no useful purpose is served by identifying any particular company of the Group.



## 03. Financial statements

Included in this section are the consolidated interim financial statements for Western Bulk Chartering AS and its subsidiaries.

### CONSOLIDATED CONDENSED INCOME STATEMENT WESTERN BULK CHARTERING GROUP

(USD 1,000)	1H 2024	1H 2023	FULL YEAR 2023	FULL YEAR 2022	FULL YEAR 2021
<b>Gross revenues</b>	<b>647 399</b>	<b>574 236</b>	<b>1 117 629</b>	<b>1 615 752</b>	<b>1 487 878</b>
Voyage expenses	-270 345	-258 969	-496 858	-549 438	-467 540
T/C expenses	-363 878	-304 276	-605 085	-951 797	-904 668
Other vessel expenses	-1 449	-1 273	-2 600	-2 233	-1 992
<b>Net T/C result</b>	<b>11 727</b>	<b>9 718</b>	<b>13 087</b>	<b>112 284</b>	<b>113 679</b>
Administration expenses	-12 753	-12 211	-25 132	-47 576	-50 720
<b>Result before depreciation and impairment, finance items and income tax</b>	<b>-1 026</b>	<b>-2 493</b>	<b>-12 046</b>	<b>64 708</b>	<b>62 959</b>
Depreciation	-70	-69	-135	-140	-151
Provision for doubtful debt	-	-	-	-	-2
Gain/(loss) on disposal of property, plant and equipment	-	-	-17	-5	-28
<b>Operating profit/(loss)</b>	<b>-1 096</b>	<b>-2 562</b>	<b>-12 198</b>	<b>64 564</b>	<b>62 778</b>
Financial income	862	1 189	2 596	781	97
Financial expenses	-205	-291	-727	-1 209	-2 228
Gain/(loss) positional FFA	3 399	-2 727	-3 751	3 762	24 226
<b>Net profit before tax</b>	<b>2 960</b>	<b>-4 391</b>	<b>-14 079</b>	<b>67 898</b>	<b>84 873</b>
Income tax expense	-474	-444	-1 542	-1 921	-3 847
<b>Net profit for the period</b>	<b>2 486</b>	<b>-4 835</b>	<b>-15 620</b>	<b>65 977</b>	<b>81 026</b>





## CONSOLIDATED CONDENSED BALANCE SHEET

### WESTERN BULK CHARTERING GROUP

(USD 1,000)	H1 2024	H1 2023	FULL YEAR 2023	FULL YEAR 2022	FULL YEAR 2021
<b>ASSETS</b>					
<b>Non current assets</b>					
Deferred tax asset	277	248	290	267	390
Intangible assets	134	2	109	5	14
Tangible fixed assets	363	326	264	384	358
Pension assets	-	-	-	147	-
Investment in financial assets	-	-	-	-	530
Long term receivables	-	-	-	43	604
<b>Total non-current assets</b>	<b>774</b>	<b>576</b>	<b>663</b>	<b>846</b>	<b>1 896</b>
<b>Current assets</b>					
Bunker stocks	50 064	56 602	52 599	48 155	39 409
Accounts receivable	41 266	22 830	24 369	36 521	32 769
Other receivables	2 347	470	326	285	443
Receivables derivatives	-	159	-	7 987	-
Receivables EUA	1 137	-	1 459	-	-
Bank deposits	22 521	70 094	40 421	68 818	122 114
<b>Total current assets</b>	<b>117 335</b>	<b>150 155</b>	<b>119 174</b>	<b>161 767</b>	<b>194 735</b>
<b>TOTAL ASSETS</b>	<b>118 109</b>	<b>150 731</b>	<b>119 837</b>	<b>162 613</b>	<b>196 631</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	205	205	205	205	205
Share premium	12 267	12 267	12 267	12 267	51 267
Other paid-in capital	-	-	-	-	-
Retained earnings	42 498	50 798	40 012	55 633	-345
<b>Total equity</b>	<b>54 970</b>	<b>63 270</b>	<b>52 484</b>	<b>68 104</b>	<b>51 127</b>
<b>Long term liabilities</b>					
Deferred tax liability	67	79	67	86	120
Pension liabilities	142	278	285	425	815
Other long-term liabilities	-	-	-	-	-
<b>Total long-term liabilities</b>	<b>209</b>	<b>357</b>	<b>352</b>	<b>511</b>	<b>936</b>
<b>Current liabilities</b>					
Accounts payable	19 242	25 278	13 690	14 533	8 202
Other payable	40 407	47 605	48 471	67 482	60 278
Proposed dividend	-	-	-	10 000	65 000
Payable derivatives	2 466	-	3 127	-	4 241
Taxes payable	575	1 058	1 473	1 860	3 465
Liabilities related company	240	120	240	120	-
Amounts owed to credit institutions	-	13 044	-	3	3 383
<b>Total current liabilities</b>	<b>62 930</b>	<b>87 104</b>	<b>67 001</b>	<b>93 998</b>	<b>144 569</b>
<b>Total liabilities</b>	<b>63 139</b>	<b>87 462</b>	<b>67 353</b>	<b>94 509</b>	<b>145 505</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>118 109</b>	<b>150 731</b>	<b>119 837</b>	<b>162 613</b>	<b>196 631</b>



## CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY WESTERN BULK CHARTERING GROUP

(USD 1,000)	SHARE CAPITAL	SHARE PREMIUM	OTHER PAID-IN CAPITAL	RETAINED EARNING	TOTAL EQUITY
January 1, 2024	205	12 267	-	40 013	52 484
Result for the period	-	-	-	2 486	2 486
<b>June 30, 2024</b>	<b>205</b>	<b>12 267</b>	<b>-</b>	<b>42 499</b>	<b>54 970</b>

SHARE CAPITAL	
Nominal value per share	NOK 0,05
Registered share capital per 31.12.2023	NOK 1 680 986
Registered share capital per 31.12.2023, in USD	USD 205 148
Total number of shares issued as of 31.12.2023	33 619 715

MAIN SHAREHOLDERS (NAME)	# OF SHARES	OWNERSHIP %
Kistefos group	23 093 152	68,7 %
Sayonara AS (former Ojada AS)	2 776 792	8,3 %
Citibank, N.A.	726 455	2,2 %
Øra Industrier AS	640 000	1,9 %
Euroclear Bank S.A./N.V.	462 792	1,4 %
Avanza Bank AB	303 772	0,9 %
Other (1 200 other shareholders)	5 616 752	16,7 %
	<b>33 619 715</b>	<b>100 %</b>

SHAREHOLDINGS BY CEO AND BOARD OF DIRECTORS		
Incoming CEO, Torbjørn Gjervik	133 026	0,4 %
Chairman of the Board, Bengt A. Rem (through Borken AS)	66 666	0,2 %
Board member and Interim CEO, Ørjan Svanevik (through Oavik Capital AS)	18 000	0,1 %
Board member, Kristian Huseby	10 000	0,0 %
	<b>227 692</b>	<b>0,7 %</b>



## CONSOLIDATED CONDENSED STATEMENT OF CASH FLOW WESTERN BULK CHARTERING GROUP

(USD 1,000)	H1 2024	H1 2023	FULL YEAR 2023	FULL YEAR 2022	FULL YEAR 2021
<b>CASH FLOW FROM OPERATIONS</b>					
Profit/(loss) before tax	2 962	-4 390	-14 079	67 898	84 873
Taxes paid	-1 322	-1 157	-1 916	-3 093	-540
Ordinary depreciation	70	69	135	140	151
(Gain)/loss on disposal financial assets	-	-	17	5	29
Changes in current receivables and current liabilities	-19 413	3 677	-2 459	-9 999	13 113
<b>Net cash flow from/(to) operating activities (A)</b>	<b>-17 704</b>	<b>-1 802</b>	<b>-18 302</b>	<b>54 951</b>	<b>97 626</b>
<b>CASH FLOW FROM INVESTMENTS</b>					
Investments in fixed and intangible assets	-194	-22	-151	-179	-54
Investments in financial assets	-	-	-	530	100
Disposal of fixed assets	-	15	15	-	27
Changes in long term receivables	-	43	43	561	-604
<b>Net cash flow from investments (B)</b>	<b>-194</b>	<b>36</b>	<b>-93</b>	<b>912</b>	<b>-531</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Changes in interest-bearing short term and long term debt	-	13 041	-3	-3 380	-20 572
Dividend paid	-	-10 000	-10 000	-105 779	-
Share capital increase	-	-	-	-	15 294
<b>Net cash flow from financing activities (C)</b>	<b>-</b>	<b>3 041</b>	<b>-10 003</b>	<b>-109 159</b>	<b>-5 278</b>
<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>-17 898</b>	<b>1 275</b>	<b>-28 398</b>	<b>-53 296</b>	<b>91 817</b>
Cash and cash equivalents at start of the period	40 421	68 818	68 818	122 114	30 297
Cash and cash equivalents at end of the period	22 522	70 094	40 421	68 818	122 114
Restricted bank deposits at end of the period	9 871	23 017	7 531	11 743	13 863
<b>Available cash and cash equivalents at end of the period</b>	<b>12 652</b>	<b>47 077</b>	<b>32 890</b>	<b>57 075</b>	<b>108 251</b>
(excluding undrawn credit line)					

## SELECTED EXPLANATORY NOTES

### Note 1. General information

Western Bulk Chartering AS is a private limited company incorporated and domiciled in Norway. The registered address of the office is Henrik Ibsens Gate 100, 0255 Oslo.

Western Bulk Chartering AS and its subsidiaries ("WB Chartering") is a major operator in the dry bulk shipping market and a charterer of primarily Panamax, Supramax/Ultramax and Handysize dry bulk vessels, running an average fleet of 133 vessels in the first half of 2024.

This financial report is authorized for issue by the Board of Directors as of 15.8.2024.

### Note 2. Accounting policies

The condensed financial statements of Western Bulk Chartering AS and its subsidiaries (the "Group") are prepared in accordance with Norwegian Generally Accepted Accounting Principles (N-GAAP) and NRS 11. Please refer to the 2023 annual report for a detailed description of the accounting policies. The report is available on [www.westernbulk.com](http://www.westernbulk.com).

### Note 3. Significant judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions. These estimates are based on the actual underlying business, its present and forecast profitability over time and expectations about external factors such as dry bulk shipping freight rates, interest rates, foreign exchange rates, oil prices and more which are outside the Group's and parent company's control. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

MV Western Stabaek on her maiden voyage loading urea from barges outside Ho Chi Minh City, Vietnam.



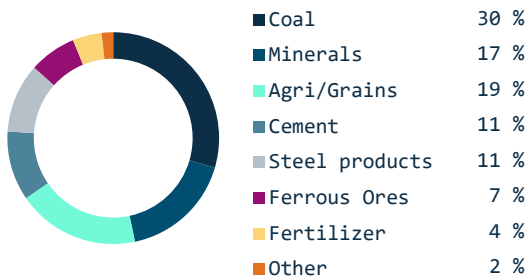


# 04. About Western Bulk

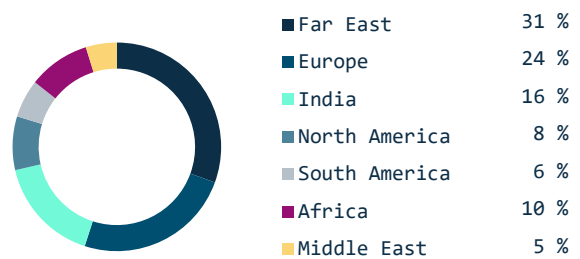
Western Bulk is a global dry bulk operator and derivatives trader registered on Euronext Growth in Oslo. Propelled by an entrepreneurial spirit, we combine in-depth maritime knowledge with trading expertise. Through combining advanced risk management, extensive use of market data, analytics to optimize fleet deployment and vessel-cargo matching, we offer tailor-made solutions serving our customers' needs. The Group operates its chartered-in fleet and cargo contracts through its two subsidiaries Western Bulk Carriers AS and Western Bulk Pte Ltd, which are supported by chartering and operations teams in Oslo (Norway), Singapore, Dubai (United Arab Emirates), Seattle (USA), Santiago (Chile) and Casablanca (Morocco).

Western Bulk has a highly diversified customer base with a broad cargo mix and diverse geographical footprint. During H1 2024, the Group conducted business with 236 different cargo customers, of which no single customer exceeded 2,8 % of total revenue. No single commodity accounted for more than 30 % of the volume of transported cargo in H1 2024.

**CARGO DIVERSIFICATION H1 2024**



**DISCHARGE AREA BY VOLUME H1 2024**



## Group structure

The below chart shows the main companies of the group

