Annual Report
2024

Western Bulk

Table of content

// Trainees Ludvig Leivestad and Manuela Rieger

Key Figures

WESTERN BULK CHARTERING GROUP

USD MILLION	FULL YEAR '24	FULL YEAR '23	FULL YEAR '22
Gross revenues	1269.7	1 117.6	1 615.8
Net TC result [1,2]	24.4	9.3	116.0
Administrative expenses [3]	26.6	25.1	47.6
EBITDA [1,2]	-2.2	-15.8	68.5
Net profit after tax [1,2]	**-2.7**	**-15.6**	**66.0**
Net TC Margin per ship day (USD) [1,2]	517	202	2 870
Net TC margin per ship day in % of market [4]	4 %	2 %	13 %
Average number of vessels operated	129	126	111
Total assets	117.6	119.8	162.6
Book equity	49.7	52.5	68.1
Total liabilities	67.9	67.4	94.5
Interest bearing debt	-	-	-
Free cash	28.4	32.9	57.1
Restricted cash	5.7	7.5	11.7
Total cash	**34.2**	**40.4**	**68.8**

[1] Full year 2024 includes USD +2.8 million gain on positional FFA (Forward Freight Agreements), full year 2023 includes USD -3.8 million loss and full year 2022 includes USD 3.8 million gain on positional FFA. These are derivative positions not qualifying as a hedge, hence booked as financial items in the financial statements.

[2] Full year 2024 includes USD -4.2 million in provision for future loss related to contracts running into 2025.

[3] Full year 2024 includes USD 1.1 million in extraordinary G&A cost related to redundancy process.

[4] "Market" is defined as Baltic Supramax Index 58.

Cargo owners ⟷ **Western Bulk** ⟷ **Vessel providers**

Cargo owners

Producers, trading houses and receivers

Western Bulk

Efficiently matching cargo with vessel to create optimized transportation service

Vessel providers

Vessel owners located worldwide

Group Description

110–130 vessels

Strong relations with vessel providers as a leading worldwide operator of dry bulk vessels in the Panamax to Handysize segments. Currently operating a fleet of about 120 vessels.

Customer focus

Fulfilling our customers' needs by providing flexibility and identifying the most efficient match of cargo and vessels, combined with consistent service delivery.

Global presence

Broad local presence with offices located in Oslo, Singapore, Dubai, Seattle, Santiago and Casablanca ensures intimate market knowledge. Combined with a decentralised organisational structure this allows for quick response to local market changes.

Broad network

More than 300 cargo customers, superior market and business intelligence, operations spread across more than 85 countries, diversified across commodities, and proprietary risk control systems.

People

94 employees across 20 different nationalities working in skilled teams. Our teams add to our performance, cooperating and supporting each other across functions and regions.

Dividend policy

The Group aims to pay 80% of net profits in quarterly dividends, and has paid out a total of USD 114 million since the listing on Euronext Growth Oslo in autumn 2021.

Our Values

Agile

Energetic, responsive, flexible and nimble

Reliable

Dependable, sincere, humble, steadfast and attentive

Risk aware

Making informed and calculated decisions, mindful of challenges

Entrepreneurial

Curious, adventurous, ambitious, always pursuing opportunities

Dear Shareholders, Customers, and Colleagues,

The past year has been a tale of two halves for the dry bulk market. The first half of 2024 saw a strong recovery, fueled by geopolitical disruptions, rising demand for raw materials, and logistical constraints that drove up freight rates. However, as conditions normalized in the second half, the market faced new challenges, highlighting the importance of agility and adaptability in our industry.

Against this backdrop, Western Bulk improved our trading performance while also taking steps to reduce our cost base. We made structural adjustments to enhance efficiency and position ourselves for long-term success. These efforts have strengthened our resilience and ability to capture future opportunities.

Our vision is to, over time, become the best dry bulk operator in the market. To achieve this, we will work within the three focus areas: people, culture, and systems.

We need to have the best people in the industry and will need to improve on both retaining, training, and recruiting. As our customers will know, we have first-class people in Western Bulk, delivering value every day within what we do. Additionally, there are niche trades out there that could be complementary to us, and we will work the HR field in a structured way. Our people, current and future, are the key to our success.

Furthermore, we are working to enhance our performance culture. From our good base of collaboration and acting as one company, we are building a resilient culture where our leaders lead by example, clear goals and expectations are set, and feedback is welcomed.

Our last focus area is on systems, in particular systems and data that change chartering decisions and help us be more profitable. Aligning our chartering, tech, research, and analysts closer together and moving from a “build first” mentality towards a better dialogue will be an important adjustment. We see a big potential in becoming one of the leading operators in data-driven decision-making, focusing on real implementation and usage.

> ”
> OUR PEOPLE, CURRENT AND FUTURE, ARE THE KEY TO OUR SUCCESS.

As we progress towards our goal of becoming the best operator in the market, we will closely monitor our performance against available information from our listed peers. We need to get to the stage where we consistently deliver top-tier results, which again will lead to Western Bulk being back where it belongs, paying out strong dividends.

In the meantime, I want to thank our employees, customers, and shareholders for your continued trust and support. We remain committed to delivering value to you in the years to come.

TORBJØRN GJERVIK
CHIEF EXECUTIVE OFFICER

Optimizing our Fleet

Western Bulk's total chartered-in fleet normally varies between 100-150 vessels, including time charter trip vessels and period vessels. The fleet projects Western Bulk's asset light model – with few long-term commitments and an ability to renew the fleet rapidly.

Although Western Bulk is a leading worldwide operator of drybulk vessels, the Group only operates ~2% of the global fleet, which implies that we have a broad space of available vessels to ensure identification of the optimal vessels. Our strong relations with a significant network of Panamax to Handysize providers serve as foundation for everything from single voyage leases to longer term leases of vessels, creating a solid basis for a highly flexible fleet. We are working closely with ship owners across the globe to ensure that we have sufficient volume of tonnage available.

A large vessel market provides us with opportunity to identify vessels that most efficiently match each cargo load and secure the highest possible margin. Selecting the optimal vessel depends on a range of factors, including vessel location and distance from cargo, fuel efficiency and charter hire.

Western Bulk engages in short- (up to six months), medium- (six to twelve months) and long-term (more than twelve months) leases. The majority of leases are short- to medium-term.

Fleet Performance team

As our fleet of TC and Period vessels represent the single largest share of our cost base, we have a special focus on choosing the right vessels and optimizing vessel operations, both to minimize cost but also to reduce emissions and secure best quality service for our customers.

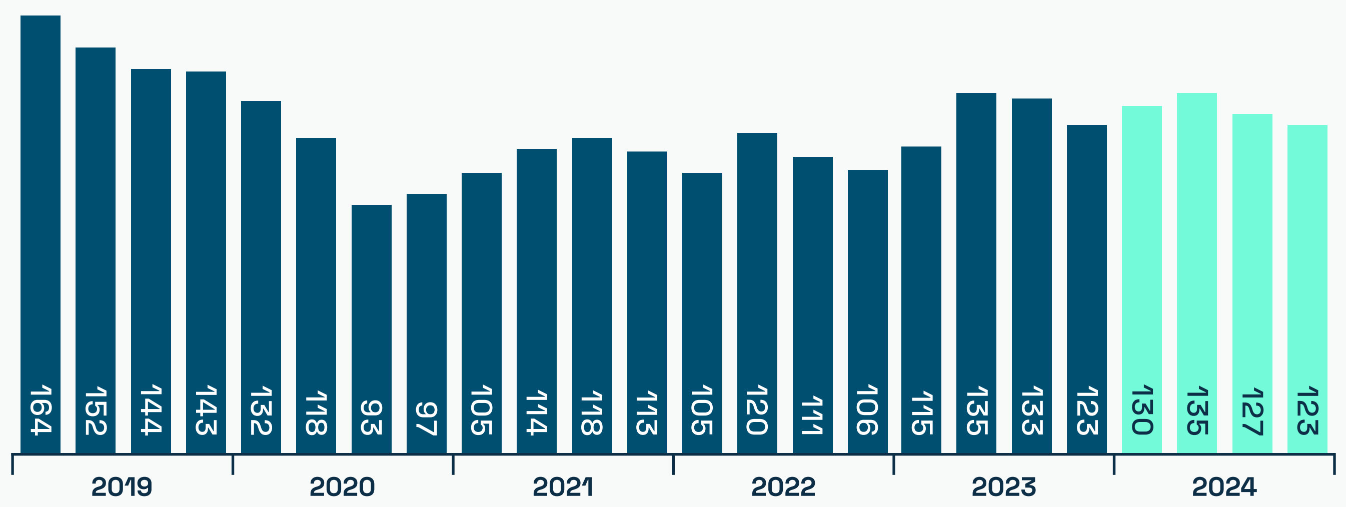
Our Fleet Performance team develops tools and knowledge on how to evaluate vessels before fixing in on TC and on how to optimize vessel performance via operational measures. We use the observed vessel performance to enhance commercial operation of our vessels. This happens mainly through enhanced accuracy when estimating commercial voyages, and through more accurate speed instructions on said voyages. Operationally, this leads to fewer delays and better voyage planning. Commercially, this helps optimize voyage yields and maximize profits.

Focus on due diligence of incoming vessels secures efficient vessel operation and creates a strong position for negotiations. Western Bulk achieves this through internal collaborative processes and state of the art digital tools.

High priority is put on enhancing the charter margin through increased vessel efficiency. Key to obtaining this is collection of high-quality data for further fleet monitoring and analysis. This is fundamental for identifying areas of improvement and for voyage optimization.

Maintaining strong relationships with dedicated head owners reveals new potential for optimization through new technologies. Western Bulk believes that partnerships and transparency is the way forward in a rapidly changing regulatory landscape.

NUMBER OF VESSELS OPERATED BY QUARTER



Well Diversified

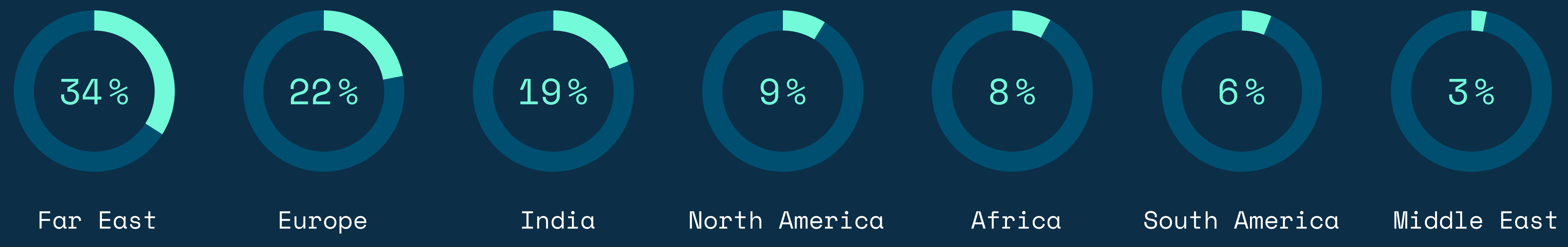
Western Bulk has a wide network of cargo owners diversified across geographies and commodities.

This network limits our exposure to specific customers, geographies or commodities. It also provides a wide foundation for revenue generation and reduces cyclicality and counterparty risk.

Our close relations to such a wide range of cargo owners globally provides a high deal flow with opportunities to locate cargo that efficiently match identified and available vessels.

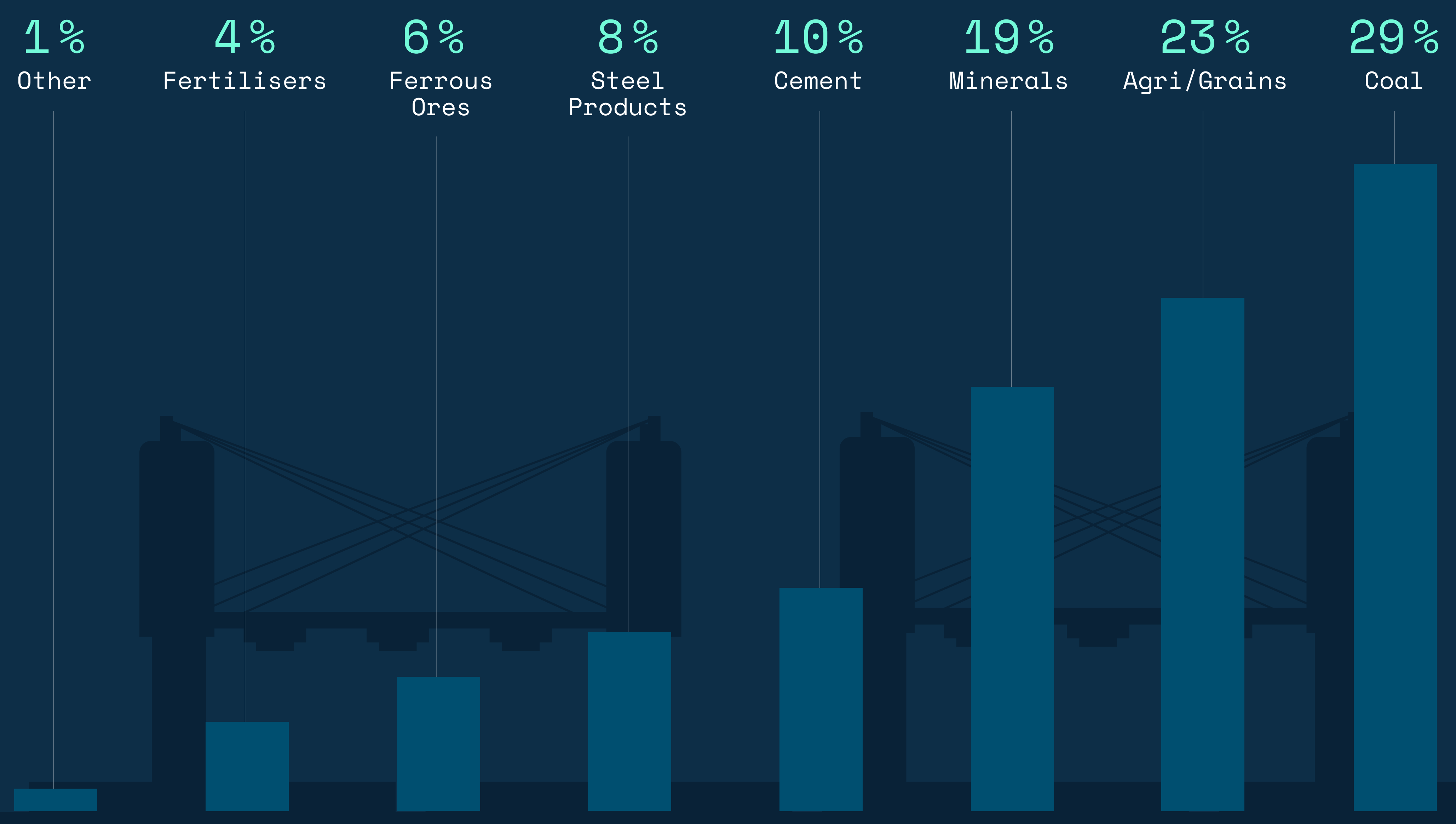
GEOGRAPHIC DIVERSIFICATION

2024 Figures by Discharge area



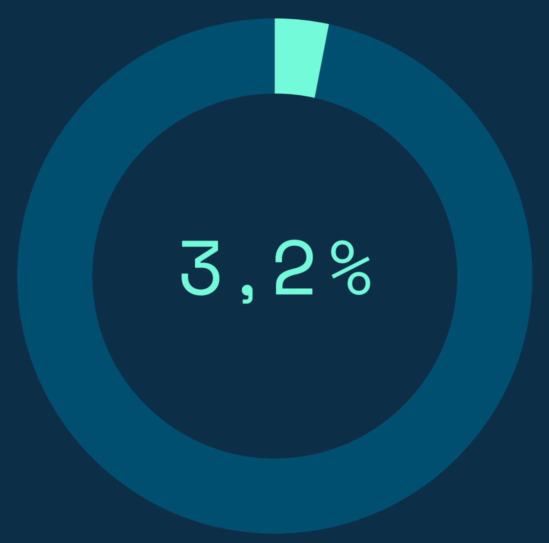
COMMODITY DIVERSIFICATION

2024 Figures by Commodity



CARGO OWNER DIVERSIFICATION

2024 Figures by Customer



Western Bulk has more than 300 different cargo customers. No single customer accounts for more than 3,2% of revenues.

Our Customer Focus

Strong Relationships

We are continuously working to develop and maintain customer relationships.

World Class Operations

Our goal is to deliver world class operations across the Group, of consistent high quality, both externally towards customers and internally.

Consistent Quality

As a service provider it is crucial for us to understand and accommodate our customers' needs, and we strive to deliver consistent, high-quality service.

Go to index

Our Organisational Culture

WE HAVE A VERY STRONG AND AGILE COMMERCIAL CULTURE IN WESTERN BULK.
BUILDING ON THIS, WE WANT TO:

One company

Be one company working together to achive our goals.

Open culture

Have an open culture where we share knowledge, information and business across offices and teams – making us more than just the sum of our parts.

Dynamic company

Be a dynamic company where we use data, systems and colleagues to constantly learn and adapt.

Our offices

Western Bulk has a global reach and a local presence with offices located in strategically important areas for shipping and trade of dry bulk commodities.

59°54’50”N 10°44’19”E

Oslo Office

The company Western Bulk was incorporated in Oslo, Norway in 1982. The CEO and CFO are located in the Oslo office. Being situated in Oslo allows us to take part in one of the most complete maritime knowledge hubs in the world, as well as an emerging hub for tech-startups and digitalisation. The commercial teams North Atlantic, South Atlantic and Period Tonnage are managed from the Oslo office which has about 50 employees.

47°36’22”N 122°20’1”W

Seattle Office

The US West Coast office is located in Seattle and has been in operation since 1995. Being geographically and strategically well placed in the busy Pacific Northwest, the Seattle office assures day-to-day contact with numerous industries, cargo owners, trading houses, and brokers in USA, Canada and Mexico. The Seattle office also looks after the operations of all Group vessels calling the West coast from Panama to Alaska and Hawaii. The US West Coast portfolio is managed from the Singapore office, as part of the Pacific/ US West Coast portfolio.

33°35’17”N 7°36’40”W

Casablanca Office

The office in Casablanca, Morocco is focusing on closer follow-up and building growing volumes with existing clients, as well as providing personal attention on operational issues on the African West Coast.

25°15’53”N 55°18’28”E

Dubai Office

We opened our Dubai office in early 2022 to extend our geographical presence and come closer to our customers in the Middle East and the Indian Ocean. The commercial teams Indian Ocean and Panamax are managed from the Dubai office, which has about 10 employees.

33°22’57”S 70°31’56”W

Santiago Office

Western Bulk has been active in Chile since 1982, and our Santiago office was opened in 2006. The Chile operations have produced strong relationships with several major Chilean industrial companies. With the time difference to Europe and the Far East, the Santiago office complements our other offices to enable 24-hour accessibility to Western Bulk around the world. The West Coast South America portfolio is managed from the Oslo office, as part of the South Atlantic commercial team.

1°17’3”N 103°51’0”E

Singapore Office

Our office in Singapore was established in 2005 and is responsible for the overall activity in the Southeast Asia region. Singapore’s strategic location and infrastructure makes the port one of the busiest in the world, and the city has become a regional center of shipping and finance. The Pacific/ US West Coast commercial team is managed from the Singapore office, which has about 25 employees.

Our Commercial Teams

Indian Ocean
The Indian Ocean team covers the East coast of Africa, the Red Sea, the Arabian Sea and Indian region. Through its significant customer base, the commercial team is active in most dry bulk commodities and services clients on spot, short to medium term as well as on long industrial contracts.

The Indian Ocean team is based in the Dubai and Singapore offices.

North Atlantic
The North Atlantic team's main activities are transport of various steel and bulk cargoes from Black Sea and the Mediterranean, the Continent and the Baltics worldwide, and serving the US Gulf/ US East Coast/North Coast South America area.

The North Atlantic team is managed out of the Oslo office and has representatives in the Seattle office.

Pacific / US West Coast
The size and diversity of the Pacific basin demands that the Pacific / US West Coast portfolio is not just active in the more established core trades but also in niche cargo flows throughout the region. The team is considered a specialist in slag, fertilizer, clinker, coal, steel products, grains, iron ore and pet-coke.

The substantial intra and cross basin trades in the region necessitate the Pacific portfolio to work closely with all the other commercial teams.

The Pacific / US West Coast team is run out of the Singapore and Seattle offices.

Panamax
The Panamax team supports industrial players in their supply chains, by providing timely and reliable service. Their clients in the panamax segment are primarily involved in iron ore, coal, bauxite, grains and fertilisers.

The team members are divided between Oslo, Dubai and Singapore.

South Atlantic
The South Atlantic team serves clients loading and/or discharging cargo on the Atlantic coast of South America, West Coast South America and West Coast Africa. Cargoes are carried on a trusted base of ships from our core owners and include both spot movements and industrial multi-year contracts.

The team aims to build on growing volumes with our industrial clients, provide personal service and attention on operational issues, and place the Group at the forefront of future trade opportunities.

The South Atlantic team is managed out of the Oslo office with representatives in Chile.

Period Tonnage
The Period Tonnage team is a global unit working closely with ship owners across the globe, being a one point of contact for brokers and owners. The unit collaborates with the other portfolios to ensure that the Group has sufficient volume of tonnage available. The Period Tonnage team is managed from the Oslo office.

Freight and Deratives Trading
The Freight and Derivatives trading desk (FDTR) trades in the FFA market (Forward Freight Agreements), equities, and oil-related markets. FFA contracts made on the group level are entered under FDTR. The team also enters FFA contracts on behalf of the other commercial teams. FDTR combines model-based algorithmic trading with discretionary strategies, extending this approach to equities and oil-related markets to optimize performance and manage risk effectively. The FFA Trading team is managed from the Oslo office.

The Senior Management Team

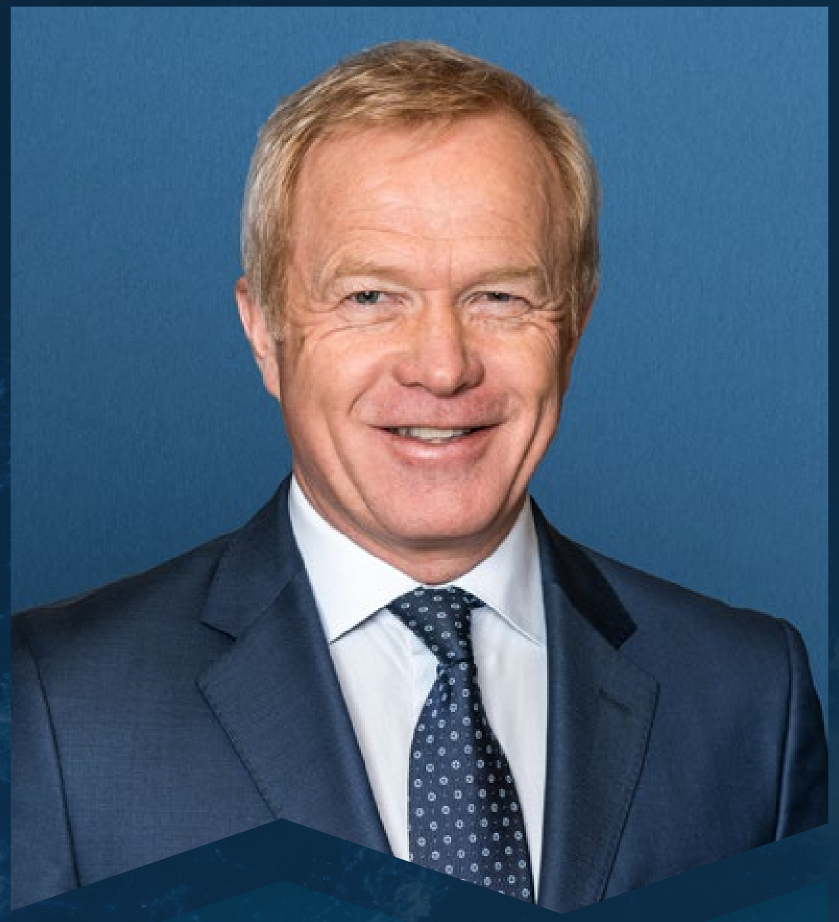
TORBJØRN GJERVIK
// CHIEF EXECUTIVE OFFICER

Mr. Gjervik was appointed CEO of the Western Bulk group in September 2024. He came from the position of Head of our North Atlantic commercial team and has served in several management positions across the Western Bulk global network and offices, including 7 years in Singapore where he also served as Managing Director. Mr. Gjervik joined the company in 2011 as a trainee. Gjervik holds a BBA in International Shipping & Transport Logistics from the Hong Kong Polytechnic University.

KENNETH THU
// CHIEF FINANCIAL OFFICER

Mr. Thu is responsible for finance, accounting, business control, risk, legal, compliance, technology, fleet performance and HR. He has a background from retail, energy and management consulting. Before joining Western Bulk in 2017, he was the Acting CFO in Elkjøp Nordic AS. Mr. Thu has also been employed by Expert AS, PA Consulting Group AS and Orkla Brands AS. He holds an MSc in Economics and Business Administration from the Norwegian School of Economics (NHH) in Bergen.

The Board of Directors



BENGT A. REM
// CHAIRMAN OF THE BOARD

Mr. Rem is the CEO of Kistefos AS, who owns about 69% of the shares in Western Bulk Chartering AS. Prior to joining Kistefos AS in 2015, Mr. Rem was CEO in Arctic Partners. His previous experience includes Executive Vice President & CFO as well as other leading positions in the industrial investment company Aker ASA, Head of the Department Responsible for Financial Instruments on the Oslo Stock Exchange and state authorised accountant in Arthur Andersen & Co. Mr. Rem holds an MSc in Business and Administration and Finance from the Norwegian Business School (BI) and an MSc in Accounting and Auditing from the Norwegian School of Economics (NHH).

KRISTIAN HUSEBY
// MEMBER OF THE BOARD

Mr. Huseby is an Investment Director at Kistefos AS. Prior to joining Kistefos AS in 2014, Kristian Huseby worked as a senior consultant in Deloitte Financial Advisory, focusing on corporate finance and valuation services. Mr. Huseby holds an MSc in Finance from the Norwegian School of Economics (NHH).

ØRJAN SVANEVIK
// MEMBER OF THE BOARD

Mr. Svanevik is a director at Seatankers Norway. Previously he was CEO of Arendals Fossekompani from 2019 to 2022. He was a director and COO at Seatankers Management from 2014 to 2017. He has also held the positions of COO at Kværner ASA and Partner and Head of M&A at Aker ASA. Mr. Svanevik holds an AMP from Harvard Business School, an MBA and MIM from Thunderbird and a Master of Business and Economics from Norwegian School of Management (BI).

BETINA NYGAARD
// MEMBER OF THE BOARD

Betina Nygaard has more than 20 years' experience within SaaS software and supply chain processes of which 16 years were served as the CEO of Scanmarket. She currently works as a senior advisor and professional board member focused on M&A, PMI, growth, digitalization and internationalization. She is Chairman of the Board of Valified and Mileage Book, and a member of the board of Semine, EasyTranslate and Faqtum MA. Ms Nygaard holds a BBA from Aarhus Business College.

ULRIKA LAURIN
// MEMBER OF THE BOARD

Ulrika Laurin has a career spanning over 25 years in the maritime industry. She currently works as a strategic advisor and serves as an independent board member of Wilh. Wilhelmsen Holding ASA and Stainless Tankers ASA. She also volunteers as Chair of the Human Rights Watch Stockholm Committee. Previously, Laurin has served as CEO and CFO of Anglo-Atlantic Steamship Co. Ltd. She has also served as a board member of Golden Ocean Group Ltd, Frontline Ltd, Stena Bulk AB and Concordia Maritime AB. Ms Laurin holds an MSc in Economics and Business Administration from the Stockholm School of Economics.

// Chartering Manager South Atlantic Finn Mohn

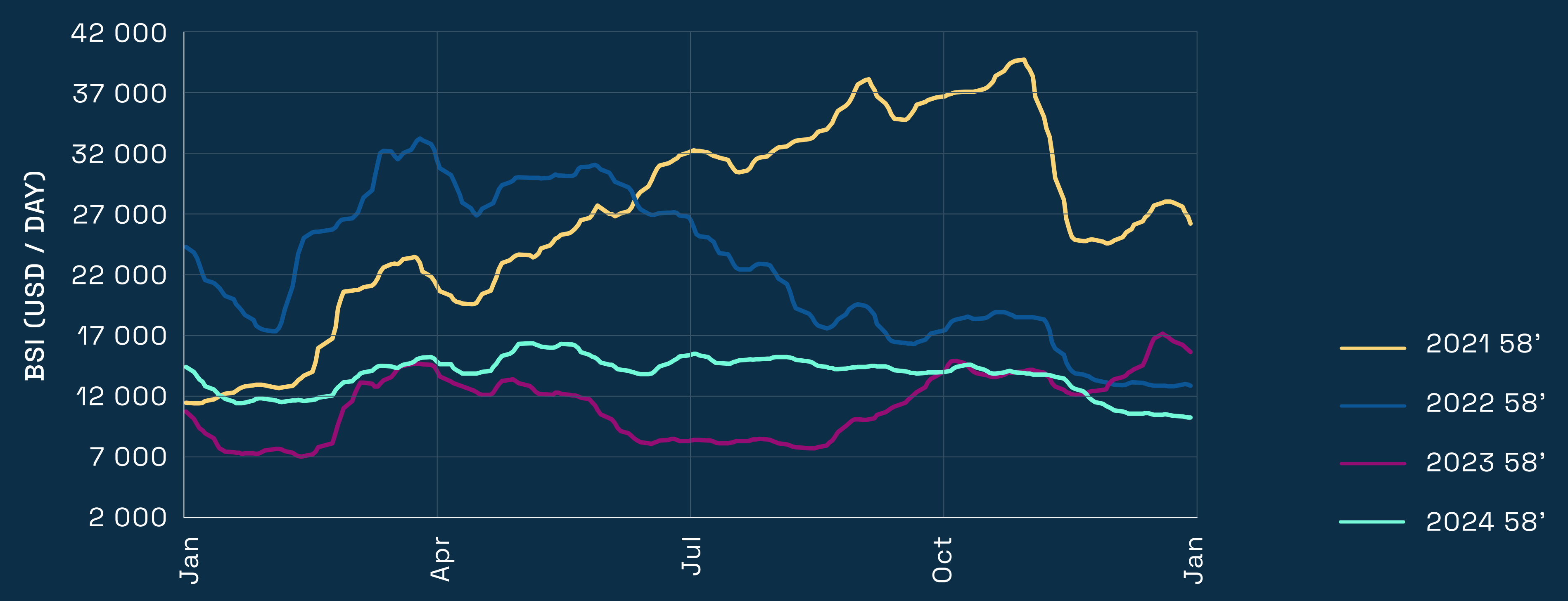
Dry Bulk Shipping in 2024: A Year of Contrasts

2024 saw a strong first half for dry bulk shipping, followed by a weaker second half. Early in the year, geopolitical tensions and high demand drove up rates, with the Baltic Supramax Index (BSI 58) averaging $13,975/day, up 17% from H2 2023. Longer voyage durations and a 5% rise in global dry bulk exports supported the market, while Chinese seaborne imports grew 6.6%, boosting Pacific Supramax rates by 43%. The Atlantic market also gained, with trans-Atlantic rates up 24%, driven by South American and Black Sea grain shipments.

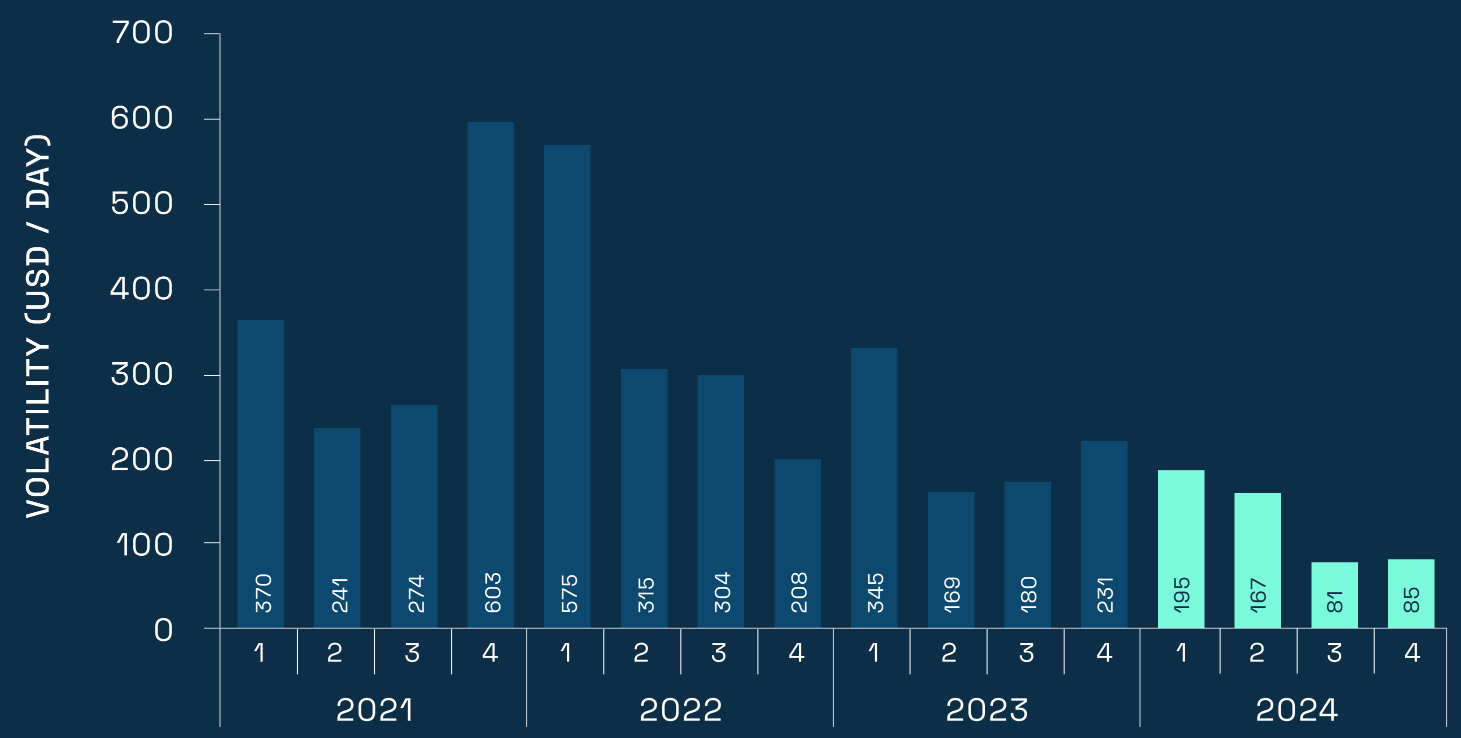
In contrast, the second half of 2024 saw declining rates as supply disruptions eased and demand softened. The Supramax Index (BSI 63) fell 6%, and Panamax rates dropped 22.7% to $12,302/day. Voyage durations shortened by 5%, and global export growth slowed to 3.1% amid weaker Chinese iron ore and grain imports. The Pacific Supramax market averaged $14,118/day, down 4%, while trans-Atlantic rates fell 4% as lower South American grain exports and high vessel availability pressured the market. Poor EU crop yields added to the downturn, despite steady U.S. Gulf exports.

As of 30th August 2024, the BSI 63 replaced the BSI 58 as the main Supramax index, marking the end of dual reporting. The BSI 58 was discontinued and is now derived from the BSI 63, with a fixed differential of USD 2,034.

BALTIC SUPRAMAX INDEX



USD VOLATILITY IN BALTIC SUPRAMAX INDEX



Source: Baltic Exchange

> WESTERN BULK IMPROVED ITS TRADING PERFORMANCE IN 2024, WHILE RESTRUCTURING THE BUSINESS TO LOWER THE ANNUAL G&A COSTS GOING FORWARD.

Board of Directors' Report 2024

Western Bulk improved its trading performance (Net TC) with USD 15 million to USD 24.4 million in 2024, while restructuring the business to lower the annual G&A costs by 15 % to USD 22 million going forward. The net result after tax was USD -2.7 million but excluding one offs from restructuring and provisions the net result was USD 2.6 million and Net TC USD 28.6 million.

Financial Performance for the Group

For the full year of 2024, the result after tax was USD -2.7 million, including provisions of USD -4.2 million for contracts running into 2025. The provisions are related to the mark to market value of physical and financial contracts as per year end, with the majority maturing in Q1 2025. The Group had some length for 2025 that was negatively impacted by the market decline for 2025 starting in 2024. Entering 2025, the overall position was short, and the company benefited somewhat from the continued market decline at the start of 2025. The results also include USD 1.1 million in costs related to redundancies to streamline the organization. Adjusted for these one-offs the result after tax for 2024 was USD 2.6 million and Net TC USD 28.6 million.

Entering the year, the Group 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 in 2023. To a large degree, the profit from the long position was 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 to position tonnage into the Atlantic at a relatively low cost. As per normal seasonality, the Atlantic market was expected to outperform the Pacific market in H2-24 as the US grain export season starts, while South Atlantic volumes were expected to remain at healthy levels. The risk-reward on this strategy was found to be good at the time of initiation.

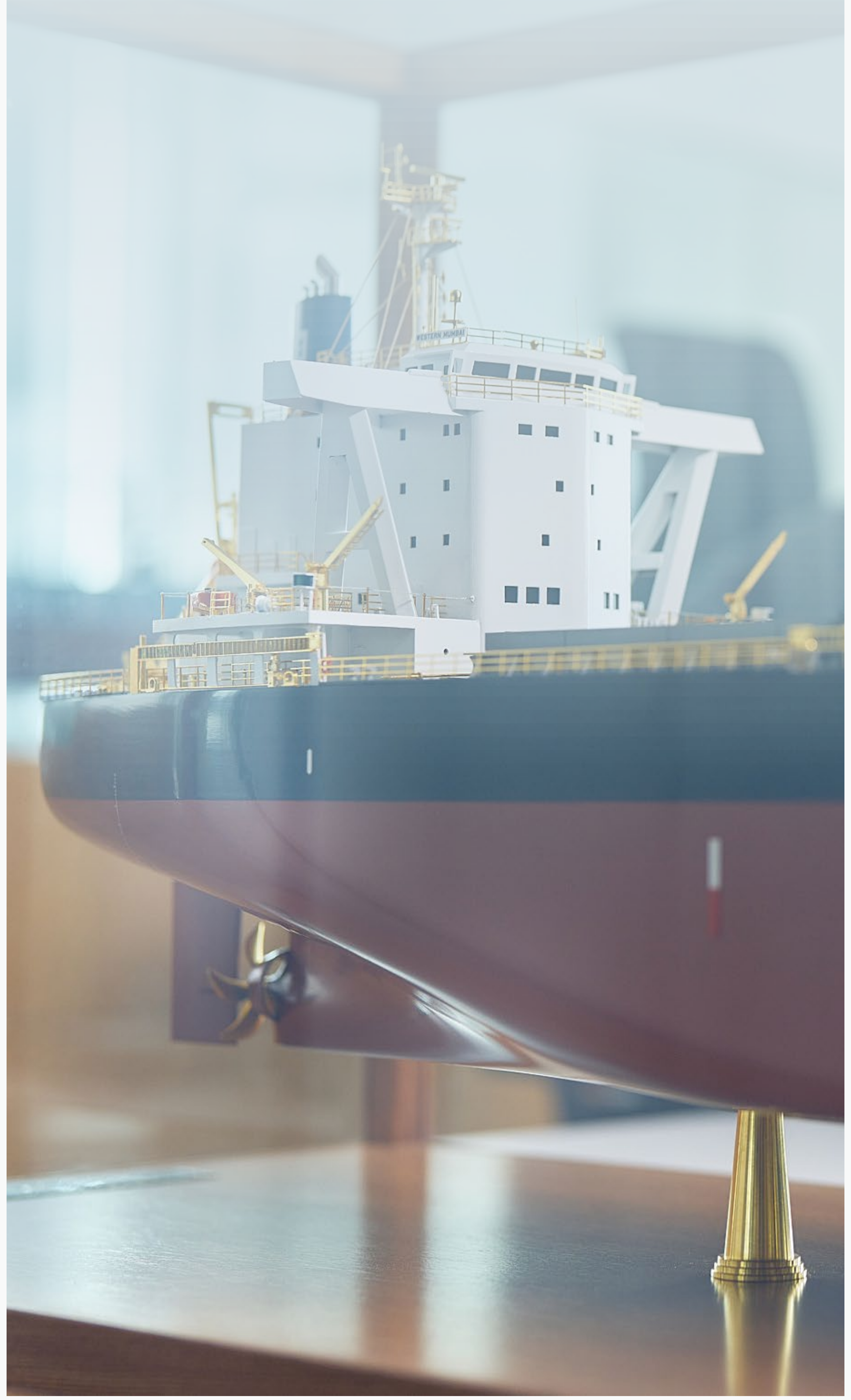
Regrettably, the anticipated Q3 seasonal market push in the Atlantic failed to materialize, limiting gains from the position. This was partly due to less long-haul grain cargoes from the Atlantic to the Pacific, as well as an unusually large share of grains being shipped to Atlantic destinations, causing vessel supply within the Atlantic to stay high. Also, tumbling Panamax rates put pressure on Supramax rates in the Atlantic. Overall, the second half of 2024 saw record low market volatility, limiting trading opportunities.

The Group's turnover, expressed as gross freight revenues, was USD 1 269.7 million in 2024 compared to USD 1 117.6 million in 2023. On average for the full year the Group handled 129 vessel equivalents in 2024, up from 126 vessels in 2023. Net TC per ship day was USD 517 in 2024 compared to USD 202 in 2023.

Administration expenses were USD 26.6 million in 2024 compared to USD 25.1 million in 2023. Excluding bonus and USD 1.1 million in cost related to the restructuring of the business, the Group saw cost reductions of USD 0.4 million during 2024. The Group had an average of 109 FTEs employed in 2024 compared to 119 in 2023.

At the end of the year the Group had USD 28.4 million in free cash, a decrease of USD 4.5 million from 2023. The Group had no interest-bearing debt as per the end of 2024.

The balance sheet total was USD 117.6 million at the end of 2024 compared to USD 119.8 million the year before. Book equity totalled USD 49.7 million as of 31.12.2024, compared to USD 52.5 million at the end of 2023.



Market Development

The year 2024 was marked by contrasting market conditions for dry bulk shipping, with a strong first half followed by a challenging second half. While geopolitical disruptions and healthy demand drove rates higher early in the year, easing constraints and slowing demand weighed on the market later.

H1 2024 saw a robust performance, with the Baltic Supramax Index (BSI 58) averaging USD 13,975/day, up 17% from H2 2023 and 33% from H1 2023. Geopolitical tensions in the Middle East and draft restrictions at the Panama Canal increased average days at sea by 6% year-on-year. Freight demand was also healthy with global dry bulk exports rising by 5% compared to H1 2023, with sub-Cape exports up 6%. Chinese seaborne imports grew 6.6%, fueled by solid demand for iron ore, coal, and bauxite. In addition, Chinese steel exports rose to the highest levels seen since 2015, driving the Pacific Supramax Index up 43% compared to H1 2023. The Atlantic market also strengthened, with trans-Atlantic rates rising 24% year-on-year, supported by higher South American and Black Sea grain shipments.

> THE YEAR 2024 WAS MARKED BY CONTRASTING MARKET CONDITIONS FOR DRY BULK SHIPPING, WITH A STRONG FIRST HALF FOLLOWED BY A CHALLENGING SECOND HALF.

The second half of 2024 was more subdued, with the Supramax index (BSI 63) averaging USD 15,239/day, down 6% from H1 2024. The Panamax index (BPI 82) averaged at USD 12,302/day in H2 2024 compared to USD 15,910/day in H1 2024, down 22.7%, highlighting the especially challenging second half for Panamax ships.

As of 30th August 2024, the BSI 63 replaced the BSI 58 as the main Supramax index, marking the end of dual reporting. The BSI 58 was discontinued and is now derived from the BSI 63, with a fixed differential of USD 2,034.

Supply disruptions eased as Panama Canal operations normalized, and long-haul grain shipments declined, reducing average voyage durations by nearly 5%. Global export growth slowed to 3.1% year-on-year, driven by softening Chinese imports of iron ore and grains. Strong steel exports out of China partially offset some of the downside and supported the Pacific Supramax markets, which averaged USD 14,118/day, down 4% from H1 2024.

In the Atlantic, trans-Atlantic rates averaged USD 15,052/day, down 4% from H1 2024, with fronthaul rates dropping 16%. Weaker East Coast South American grain exports (down 15% compared to H2 2023) and high vessel availability in the region added further pressure. Poor EU crop yields further dampened grain exports, while fairly strong U.S. Gulf grain exports failed to lift rates.

Future Development

Looking ahead to 2025, we are more pessimistic for the dry bulk markets as continued high vessel deliveries combined with less inefficiencies is expected to cause rates to average out at significant lower rates compared to 2024. While the geopolitical situation in the Red Sea remains fragile, we expect recent peace talks to cause vessel passings through the Suez Canal to gradually increase, effectively increasing vessel supply.

Healthy grain exports out of South America are expected to support the market in Q2, however weak grain harvests in EU and Black Sea are expected to offset some of this, especially for the geared segments.

Meanwhile in Asia we expect Chinese imports to remain healthy but expect slightly lower import growth this year mainly due to a slowdown in coal imports. However, this is highly uncertain. In addition, we do not expect steel exports out of Asia to experience similar growth, which has been a positive driver for geared freight demand. Increased level of tariffs remains an uncertain element, but we do not expect this to have any major impact on rates in 2025.

Going Concern

In accordance with §3-3a of the Norwegian Accounting Act, the Board confirms that the financial statements have been prepared under the assumption of going concern. The assumption is based on estimates and expectations for 2025 and the Group's long-term strategy.

Business Overview

The Group is a world-leading operator within the Handy, Supra, Ultra and Panamax dry cargo segment, with a global trading pattern and the experienced staff and robust systems required to handle the large diversity in commodity types, trading routes and operating conditions that these segments offer.

The Group combines operational expertise in dry bulk shipping with portfolio and risk management techniques and approaches adapted from the financial industry. Given the diversity and complexity of the markets in which the Group operates, it has chosen to build a flat and decentralized organizational structure where most of the decisionmaking authority rests with its commercial teams. The risk management team monitors market and counterpart exposures of each commercial team and on an aggregate level for the Group.

Impact on the environment

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

A more detailed description of the Group's impact on the environment is included in the section on Responsible Business Conduct.

Organization

The Board of Directors appointed Mr. Torbjørn Gjervik as new Chief Executive Officer of the Company from September 1st, 2024. The Board would like to extend their gratitude to Mr. Hans Aasnaes for his leadership during his tenure as CEO and Mr. Ørjan Svanevik for stepping in as Interim CEO in March 2024, ensuring a steady transition. Their contributions have been important in shaping Western Bulk's direction.

The Group is actively working to reduce sick leave and improve its working environment. During the year, no serious accidents or injuries have been reported. Total sick leave in the Norwegian company was 2,17% (2023: 1,60%), divided into 0,17% short term absence, and 2,00% long term absence. Total sick leave in the Singaporean company was 1,4% (2023: 4,0%), marking a return to pre-Covid levels.

Working conditions for employees are considered to be good. The Group has implemented initiatives to maintain a healthy work environment, annual health checks, social and active events and activities, reimbursement of physical training expenses and individual workplace assessment by physiotherapist.

The Group is committed to:

- ensuring that all employees are treated equally;
- the prevention of discrimination on the basis of gender, pregnancy, leave in connection with childbirth or adoption, care responsibilities, ethnicity, nationality, religion, beliefs, disability, sexual orientation, gender identity, gender expression, age, other legally protected status or significant characteristics of a person; and
- offering all employees equal and attractive career opportunities.

The Group offers a comprehensive training program for commercial graduates. Employee performance is measured through regular performance appraisals. As of 31.12.2024, 36 of the Group's 94 employees were women (38%), with 32% in Oslo, 52% in Singapore, 50% in Dubai, 25% in Seattle and 25% in Santiago. An unequal recruitment base makes it difficult to achieve an equal mix of gender within certain Group units, but Western Bulk endeavours to have both genders represented in all employment processes. No women are represented in the Senior Management, two women (40%) are represented within the Board of Directors.

Risk
The Group is exposed to a number of risks. In addition to the market risks associated with its chartering activity, the Group is also exposed to risks such as counterparty risk, credit risk, currency risk, operational risk and liquidity risk.

The Group operates with a clearly defined risk appetite and has implemented a comprehensive infrastructure of models, measures and internal control routines to mitigate risks or respond to risks, in order to limit potential consequences. It has developed a strong risk management culture that emphasise risk awareness in all decisions.

The Board is of the opinion that the Group's exposures to the different risks are satisfactorily monitored and that the company will be able to contain the risk at acceptable levels, for customers as well as shareholders.

Geopolitical Risk
With a global trading pattern, the Group is exposed to geopolitical risk and instability that exist or may occur in parts of the world. The Group is paying close attention to concentration of geopolitical risks and is targeting diversification to mitigate exposure that could potentially cause material effects to its results.

Market Risk
The Group has invested considerable resources in establishing and maintaining a risk control and monitoring system which daily quantifies the market exposure in the Group. This system allows the Group to measure risk and adjust its risk profile rapidly if required. The Group actively uses derivatives such as freight forward agreements (FFA), bunker swaps and other financial instruments to hedge its market exposure. The Group is not seeking to minimise the market risk, but rather to quantify and measure it to be able to take calculated positions in the market. The risk system sets absolute limits to the level of exposure taken by the Group. Such exposure may include being long/short vessels relative to contract coverage, being long/short on geographical areas, vessel sizes and trade routes, utilising options on cargoes and vessels, and more, to take market rate exposures.

Operational Risk
The Group is exposed to various operational risks in conducting its business worldwide, with vessels sailing to and calling at ports in most areas of the world. Operational responsibility rests with the Group's commercial teams, as most operational risks are related to specific vessels, cargoes or markets. While single incidents usually will have limited impact on the Group, the Group pays close attention to concentration of risks related to cargo type, geographical area and counterparties, targeting diversification to mitigate exposure that potentially could have material effect.

Financial Risk
The Group's credit risk mainly relates to freight payable from our counterparts for voyages being performed. Such freight is mainly due at commencement of the voyage, and if not paid, the Group will in most cases have a lien on the cargo. As such, credit risk is manageable and mainly relates to potentially disputed parts of the amount invoiced such as laytime and demurrage.

The Group's liquidity risk is mainly related to timing of cash in- and outflows and the Group continuously monitors its cash reserves and available liquidity to ensure sufficient liquidity is available to meet the known obligations of its operations, minimum liquidity covenants in financing agreements, and to meet measured cash flow risks related to the use of derivatives for hedging purposes.

The Group is exposed to currency risk, mainly for expenses incurred in local currency other than US dollar. The Group measures its currency risk applying sensitivity analysis. The Group has hedged the expected NOK denominated administrative expenses for 2025 by entering into NOK/USD currency forward contracts.

The Group is exposed to interest rate risk from its financing facilities. The interest rate risk is currently unhedged.

Transparency Act
The Norwegian Transparency Act came into force on 1 July 2022. This implements OECD guidelines and UN guiding principles on business and Human Rights for Norwegian enterprises. During 2024 the Group has continued its review of suppliers according to the annual statement published on the website in June 2024. The annual statement for 2025 will be published on our website within 30 June 2025.

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

Ownership Structure
As of 31.12.2024, Western Bulk Chartering AS is registered on Euronext Growth Oslo, with about 1 000 shareholders. The Kistefos Group controls about 68% of the shares.

Financial Performance for the Parent Company and Allocations
Western Bulk Chartering AS (Parent Company) recorded a loss after tax of USD 8.8 million for 2024 and a net positive cash flow of USD 9.4 million. Equity was USD 36.6 million as of 31.12.2024 with a book equity ratio of 50%.

The Board recommends the following coverage of the 2024 net loss for the parent company:

Other equity	USD	– 8 845 613
Total coverage of loss	**USD**	**– 8 845 613**

OSLO, 13. MARCH 2025

BENGT A. REM
CHAIRMAN OF THE BOARD

ØRJAN SVANEVIK
BOARD MEMBER

KRISTIAN HUSEBY
BOARD MEMBER

BETINA NYGAARD
BOARD MEMBER

ULRIKA LAURIN
BOARD MEMBER

TORBJØRN GJERVIK
CEO

// Head of Operations Maria Dellgren

Responsible Business Conduct

Western Bulk views responsible business conduct practices, including environmental and social standards, as key to reducing the impact of marine activities. Western Bulk is committed to promoting responsible and sustainable practices, both as a global, corporate citizen and within our sphere of influence as ship operators.

Adhering to high standards in Responsible Business Conduct ("RBC") within the Group's businesses has positive impacts on results and makes Western Bulk competitively stronger in a sector where customers are increasingly driven by such factors when choosing their business partners.

Western Bulk's Code of Conduct and related internal policies establish clear expectations for all parts of the Group's business, seeking to ensure good corporate conduct and compliance with applicable laws and regulations. The Code of Conduct clearly communicates the Group's expectations related to dealing with third parties and matters of integrity.

Western Bulk has an established compliance program, aimed at addressing risks relevant to the company's business, with particular focus on corruption and sanctions. This program has clear and visible support from the CEO and the senior management team, using a top-down approach to emphasise the important role of compliance within the company. The compliance program also includes a whistle-blower policy and a reporting channel. Employees are expected and encouraged to report incidents that may not comply with the principles set forth in the Code of Conduct or other policies. Western Bulk employees consequently have a strong awareness of responsible business conduct related issues, in particular related to the handling of corruption and sanctions risks.

Within our compliance program, Western Bulk also has a Supplier Code of Conduct, which communicates our expectations to external suppliers beyond the contractual obligations in individual contracts. The Supplier Code of Conduct establish clear expectations for third parties with regard to our expectation of ethical corporate conduct and compliance with applicable laws and regulations.

When evaluating external suppliers, Western Bulk has a Counterpart Risk team that evaluates new and existing third parties against several risk criteria. This process is risk based and the extent of the vetting process therefore varies according to the individual concerns and risks of each trade, including e.g. the industry or the region. The Group uses external databases and sources to improve the quality of the findings related to each third party.

The Western Bulk Group's commitments in the RBC sphere are:

HUMAN RIGHTS

Western Bulk shall support, respect and commit to the principles set out in the UN's Universal Declaration on Human Right, taking every effort to ensure that they are not complicit in human rights abuses.

LABOUR RIGHTS

Non-Discrimination
Western Bulk's policies prohibit unlawful discrimination on grounds of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, labour union affiliation, social or ethnic origin.

Western Bulk treats all people with dignity and respect. All employees support a work environment free from discrimination.

Compensation
Wages paid to employees and hired labour are considered fair and meet any national legal standards on minimum wage. Working hours are not excessive and as a minimum comply with applicable local laws or agreements.

Labour standards
Freedom of association and the right to collective bargaining and agreements are respected in all operations of the Group.

Safe working environment
All employees are provided with a safe and healthy work environment.

Seafarers
Owners of tonnage chartered by the Group are required to maintain standards for seafarers meeting at least those set by international standards and conventions.

ENVIRONMENT

Western Bulk supports the maritime industry's commitment to net zero emissions by 2050, and to a 20% reduction by 2030 and 70% reduction by 2040, compared to the 2008 baseline. As an operator, our contribution to this effort will largely come from operational measures such as performance monitoring, voyage optimisation and speed adjustments, as well as a structured approach to regular hull and propeller cleaning. We are aware of the importance of working with both vessel owners and customers to identify opportunities for increased co-operation. There is significant emission reduction potential in contractual structures that incentivise reduced carbon intensity through speed reduction, just-in-time-arrival, information-sharing and similar.

Western Bulk continues to advance voyage optimization efforts in Operations, positioning us to reduce fuel consumption and lower carbon emissions. We are nearing pilot stage with some solutions that will give us more control over performance. At the same time, our Fleet Performance team has also been rolling out fuel consumption models for our period-chartered fleet that give us much more accurate fuel projections in our planning systems - allowing us to further reduce wasteful consumption.

Western Bulk monitors the carbon intensity of our operations primarily through EEOI. EEOI measures the relative relationship between CO_2 emissions from bunker fuel consumption and transport work (tonne-nautical miles). This is represented as gCO_2 / tonne-nautical miles. We measure per vessel segment as EEOI generally decreases with vessel size. Since the composition of our fleet varies from year to year, average EEOI per year will not only depend on carbon intensity of our operation, but also on the relative share of vessel types in the fleet.

The table below portrays the development in EEOI per vessel size from 2022 to 2024. Our carbon intensity came down further from 2023 to 2024, both due to enhanced focus on fleet performance and operational excellence but also improved data quality.

VESSEL TYPE	HANDYMAX	SUPRAMAX	ULTRAMAX	PANAMAX
Average EEOI 2022	14.97	11.01	9.16	12.48
Average EEOI 2023	11.41	9.96	8.80	14.37
Average EEOI 2024	10.85	8.90	7.80	6.58
Change	**-0.56**	**-1.06**	**-1.00**	**-7.79**

Since testing biofuel deliveries and carbon offsets in 2021, the Group has made carbon offset an option for customers wishing to reduce the impact of cargo shipments.

In 2023, we invested significant resources to prepare ourselves for the introduction of shipping into the EU ETS from January 2024. We are set up to purchase and hold EUAs and EUA futures. We have also invested in systems and resources to manage the administrative complexities of EUA accounting and transfers towards vessel and cargo owners. We have deployed internal reporting and monitoring solutions to complement our existing commercial systems, enhancing transparency with cargo charterers. This allows them to better understand their total emissions impact and actively participate in emission reduction efforts.

For the new FuelEU Maritime regulations in 2025, we have implemented cost estimation tools, and we are monitoring FuelEU compliance solutions, including pooling options with other ships/owners. While not immediately relevant due to our current fleet model, these efforts position us strategically to evaluate biofuels and other compliance strategies should we take control of ships in 2025.

COMPETITION

Western Bulk operates in a highly competitive industry. The Group competes in a fair and ethical manner in relation to competitors as well as to customers and suppliers. Western Bulk will under no circumstances cause or be part of any breach of general or special competition regulations or any other behavior that is in breach of applicable competition (anti-trust) legislation.

TAXATION

Western Bulk Chartering AS is domiciled in Norway and controls legal and operational entities in Norway, Singapore, the United States of America, the United Arab Emirates, Chile, Sweden and Morocco. Western Bulk complies with tax laws, regulations and filing requirements in the jurisdictions where the Group is located. Western Bulk follows the arm's length principle and complies with the recommendations set out in the OECD Transfer Pricing Guidelines for internal transactions between group companies.

For further details about Western Bulk's taxation, please also refer to the explanatory notes in the Group's financial statements.

ANTI CORRUPTION

Western Bulk conducts its business with integrity. All activities within the group are done in compliance with all applicable laws and regulations. The Code of Conduct prohibits engagement in corrupt or illegal practices directly or indirectly.

Western Bulk continues to participate in the Maritime Anti-Corruption Network (**www.maritime-acn.org**). Established in 2011, MACN is an industry group of over 130 industry participants including ship owners and operators, cargo owners and service providers working towards a vision of a maritime industry free of corruption. As part of MACN, Western Bulk supports the efforts of collective industry action to improve the compliance environment and integrity in the sector.

Our operating companies Western Bulk Carriers AS and Western Bulk Pt Ltd have completed the Tcertification process. Tcertification is a custom-built due diligence review. Tcertified companies are pre-vetted business partners for multinational companies seeking to do business with suppliers, agents and consultants who share their commitment to commercial transparency.

Group Financials

// Quantitative Portfolio Manager Patrick Næss

WESTERN BULK CHARTERING GROUP // PROFIT AND LOSS STATEMENT

USD 1 000	NOTE	2024	2023
Gross revenues	3	1 238 458	1 117 629
Sale of vessel	3	31 205	-
Voyage expenses		-495 530	-496 858
Freight revenues on T/C-basis		**774 133**	**620 771**
T/C expenses		-718 903	-605 085
Purchase of vessel	3	-26 526	-
Other vessel expenses		-2 881	-2 600
Administration expenses	4	-26 599	-25 132
Operating expenses		**-774 910**	**-632 817**
Provision for future loss		-1 404	-
Depreciations	5	-171	-135
Gain / (loss) on disposal of fixed assets		-	-17
Operating profit		**-2 352**	**-12 198**
Net interest income		1 041	1 884
Net interest expense		-270	-243
Gain / (loss) on foreign exchange		372	554
Result positional FFA		2 800	-3 751
Provision for financial future loss		-2 842	-
Gain / (loss) disposal of shares		29	-
Other financial items		-593	-326
Net finance		**539**	**-1 881**
Profit / (loss) before tax		**-1 813**	**-14 079**
Tax income / (expense)	6	-935	-1 542
Profit / (loss) for the year		**-2 748**	**-15 620**

WESTERN BULK CHARTERING GROUP // BALANCE SHEET

USD 1 000	NOTE	2024	2023
ASSETS			
Non current assets			
Deferred tax asset	6	932	290
Intangible assets	5	119	109
Property, plant and equipment	5	345	264
Total non current assets		**1 396**	**663**
Current assets			
Accounts receivable	7,8	34 544	24 369
Other receivables		1 559	326
Receivables derivatives	9	3 453	-
Receivables EUA		3 572	1 459
Bunker stocks		38 905	52 599
Bank deposits	1,10	34 162	40 421
Total current assets		**116 195**	**119 174**
TOTAL ASSETS		**117 591**	**119 837**
SHAREHOLDERS` EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital		205	205
Share premium		12 267	12 267
Total paid-in capital		**12 472**	**12 472**
Retained earnings			
Other equity / (uncovered loss)		37 264	40 012
Total retained earnings		**37 264**	**40 012**
TOTAL SHAREHOLDERS' EQUITY	11	**49 736**	**52 484**

USD 1 000	NOTE	2024	2023
LIABILITIES			
Long term liabilities			
Deferred tax liability	6	57	67
Pension liabilities	4	261	285
Total long term liabilities		**318**	**352**
Short term liabilities			
Accounts payable		15 188	13 690
Other payable	12	50 487	48 471
Payable derivatives	9	-	3 127
Taxes payable	6	1 502	1 473
Liabilities to related company	13	360	240
Total short term liabilities		**67 537**	**67 001**
TOTAL LIABILITIES		**67 855**	**67 353**
TOTAL SHAREHOLDERS` EQUITY AND LIABILITIES		**117 591**	**119 837**

OSLO, 13. MARCH 2025

BENGT A. REM
CHAIRMAN OF THE BOARD

ØRJAN SVANEVIK
BOARD MEMBER

KRISTIAN HUSEBY
BOARD MEMBER

ULRIKA LAURIN
BOARD MEMBER

BETINA NYGAARD
BOARD MEMBER

TORBJØRN GJERVIK
CEO

WESTERN BULK CHARTERING GROUP // CASH FLOW STATEMENT

USD 1 000	2024	2023
CASH FLOW FROM OPERATIONS		
Profit / (loss) before tax	-1 813	-14 079
Taxes paid	-1 473	-1 916
Depreciations	171	135
Gain / (loss) disposal fixed assets	-	17
Changes in current receivables and current liabilities	-2 883	-2 459
Net cash flow from / (to) operating activities	**-5 998**	**-18 302**
CASH FLOW FROM INVESTMENTS		
Investments in fixed- and intangible assets	-260	-151
Disposal of fixed assets	-	15
Changes in long term receivables	-	43
Net cash flow from investments	**-260**	**-93**
CASH FLOW FROM FINANCING ACTIVITIES		
Changes in new short term and long term debt	-	-3
Dividend paid	-	-10 000
Net cash flow from financing activities	**-**	**-10 003**
Net change in liquidity during the year	**-6 259**	**-28 398**
Liquid assets as of 01.01.	40 421	68 818
Liquid assets as of 31.12.	**34 162**	**40 421**
Restricted bank deposits as of 31.12.	5 741	7 531
Available liquid assets as of 31.12.	**28 421**	**32 890**

// Head of Operations Amit Rahul

// Head of Bunkers and Derivatives Jonas Gjestang Larsen

Notes to the Accounts

NOTE 1 // ACCOUNTING PRINCIPLES

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

Segment information

The Group's main activity is related to chartering and operation of vessels.

Reporting currency and functional currency

Both the parent company accounts and the consolidated accounts are reported in US dollars (USD). Group business activities are primarily denominated in USD. Based on historical figures for the Group, almost 100% of freight income, operating expenses for the vessels, bank deposits, receivables, accounts payable and external financing are denominated in USD. The consolidated accounts are presented in USD.

Foreign currency

Monetary items, receivables and liabilities in the balance sheet denominated in other currencies than USD are recorded at the year end exchange rates. Profit and loss items in foreign currencies are recorded at exchange rates prevailing at the time of the transaction. Both realized and unrealized gains and losses are included under financial items in the profit and loss statement.

The following exchange rate has been used as of 31.12.2024:
USD / NOK 11.353

Consolidation principles

Included in the Group are the parent company Western Bulk Chartering AS (the "Company") and companies where Western Bulk Chartering AS directly or indirectly has a majority of the voting capital. All intercompany balances and transactions between the companies have been eliminated in the consolidated accounts.

The cost price of shares and partnership shares are eliminated against the equity in the underlying companies at the time of purchase. Any excess of purchase consideration over fair value of assets and liabilities acquired is recorded as goodwill. Goodwill is not amortized. The accounts of foreign subsidiaries are kept in USD as well as in a secondary currency. The Group's consolidated accounts are prepared based on uniform accounting principles.

Classification of assets and liabilities

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

Revenue recognition

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

As long as the Group has controlling interest dividends/group contributions are accounted for even if it is not received. Provisions are made accordingly in the contributing company.

Use of estimates

In accordance with generally accepted accounting principles, the company's management must make estimates and assumptions that influence the value of assets and liabilities in the balance sheet and the amount of revenues and expenses included in the accounts during the accounting period. The actual figures may vary from these estimates.

When preparing the accounts, best estimates are used based on information available at the time the accounts are prepared.

Intangible assets

Costs for intangible assets are reflected in the balance sheet providing a future financial benefit relating to the development of an identifiable intangible asset can be identified, and the expenses can be reliably measured. Otherwise such expenses are expensed as and when incurred. Software expenses are depreciated on a straight-line basis over the asset's expected useful life. Expenses related to ordinary maintenance are expensed when incurred.

Gains/losses from sale of intangible assets are shown on a separate line under operating expenses.

Fixed assets

Fixed assets are included in the balance sheet at cost less ordinary depreciation and impairment. The straight-line method for calculating ordinary depreciation for the year has been applied. Fixed assets are depreciated over the expected economic life of the assets. Expenses related to ordinary maintenance are expensed when incurred.

Gains/losses from sale of fixed assets are shown on a separate line under operating expenses.

Impairment of intangible and fixed assets

Impairment is recognised for the amount by which the asset's carrying value exceeds its recoverable amount unless the reduction in value is temporary. The recoverable amount is the higher of net sales value and net present value of future cash flows.

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

Both in 2024 and 2023, all of the Group's leases were classified as operational leases.

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

Financial investments
Financial investments classified as current assets are recorded at the lower of cost price or market value.

Pensions
The Group has defined benefit plans and defined contribution plans. For defined contribution plans the annual contribution is expensed, and there is no pension asset or liability recognised in the balance sheet.

For any defined benefit plans, the annual pension expense is calculated based on actuarial estimates, including the premium paid during the year, and a pension asset or liability is recognised in the balance sheet based on the actuarial reports. The defined benefit asset or liability comprises the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled.

All pension schemes are valued in accordance with the IAS 19R which can be used under NGAAP (NRS 6) as well as under IFRS.

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


// Developer Anusha Dk

Deferred tax liabilities/deferred tax assets within the same tax system are recorded on a net basis. Deferred tax asset is recorded only if the future utilization is probable.

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

Financial instruments and hedge accounting
The Group has defined a hedging strategy and applies financial instruments such as freight derivatives, bunker derivatives and currency derivatives to hedge future results. In accordance with the Norwegian Accounting Act §4-1 no. 5, profit/(loss) on hedging contracts are recognised in the same period as the profit/(loss) related to the hedged object is recognised for all derivatives entered into as part of the hedging policy. The Group has classified the hedges as cash flow hedges for accounting purposes. The market values of the derivatives are kept off-balance until realised.
Option premiums paid/received and for any cleared derivatives the settlements paid or received are recognised as current assets and liabilities respectively, until maturity of the derivative when gain/loss is recognised in the profit and loss statement or whenever the assets are considered impaired.

Impairment is recognised for the amount by which the mark-to-market value of the Group's total contract portfolio (TCs, COAs, FFAs and bunker hedges) is negative. If the negative amount exceeds the assets related to the portfolio, including any prepaid amounts for derivatives, an accrual for the liabilities is made.

Profit and loss from derivatives is classified as T/C expenses for freight derivatives, voyage expenses for bunker derivatives and as part of the administration expenses for currency derivatives serving as currency hedge for administration expenses in other currencies than USD. Non-hedged trading made by Western Bulk Chartering AS is reported under financial items.

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

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

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

NOTE 2 // RISK FACTORS

The Group is exposed to a number of risks affecting its financial performance. The risk management team identifies and measures potential risks and implements the risk management policies set by the Board of Directors.

Dry bulk freight market

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

Operational risk

The Group is exposed to its ability to maintain a high utilization rate for its fleet and the ability to operate the vessels in the most efficient and economical manner. This depends on the skills of its chartering and operations personnel, as well as the general conditions in the freight market. The Group has credit and counterpart risk related to its business activity, and has well-established policies for monitoring counterparty approval and for monitoring counterparties' performance. The procedure for approval of counterparts is based on both external rating services and internal investigations. The Group's credit risk mainly relates to freight payable from our counterparts for voyages being performed. Such freight is mainly due at commencement of the voyage, and if not paid, the Group will in most cases have a lien on the cargo. As such, credit risk is manageable, and mainly related to potentially disputed parts of the amount invoiced such as laytime and demurrage upon discharge.

Bunker prices

Fluctuations in fuel oil prices is another substantial risk for the Group, as fuel costs constitute a significant part of voyage expenses. Exposures are created when future freight rates are set without indexation to fuel oil prices. The Group hedges its exposures in the energy market using fuel oil swaps and options or similar products.

Foreign exchange and interest rate risk

The Group's business operations are mainly USD denominated, and the functional currency is USD. However, the Group has a foreign exchange exposure related to administrative costs at its offices worldwide denominated in other currencies than USD. The exposures are hedged according to the Group's hedging policy.

Liquidity and cash flow risk

The Group monitors its cash reserves and available liquidity at all times to ensure sufficient liquidity to meet known obligations of its operations, minimum liquidity covenants in financing agreements, and to meet measured cash flow risks related to the use of derivatives for hedging purposes.

NOTE 3 // REVENUES

USD MILLION	2024	2023
By business area		
Chartering and operation	1 270	1 118
Total	**1 270**	**1 118**
Geographical distribution		
Singapore	211	146
Switzerland	154	137
U.S.A.	108	113
U.A.E.	94	78
Hong Kong	63	33
Korea, Republic	54	18
India	53	11
U.K.	50	20
Japan	44	49
Spain	32	6
Germany	30	59
Norway	30	32
Denmark	26	25
Australia	25	55
Netherlands	24	17
South Africa	20	14
Panama	18	16
Canada	17	16
China	16	2
Italy	15	6
Other	186	265
Total	**1 270**	**1 118**

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

The Company exercised a purchase option on a period vessel with a subsequent sale in the second hand market in August 2024. Total purchase price USD 26.5 million and sale price USD 31.2 million, realising a net profit of USD 4.7 milllion. The Company has additional two purchase options.

NOTE 4 // ADMINISTRATIVE EXPENSES

USD 1 000	2024	2023
Salaries (incl. bonuses)	15 450	12 922
Employer's part of social security	1 232	1 310
Pension expenses, contribution plans	724	831
Pension expenses, benefit plans	21	-117
Other benefits	1 667	1 653
Total salaries and social expenses	**19 093**	**16 599**
Other administrative expenses	7 506	8 533
Total	**26 599**	**25 132**
Average number of work years	109	119

A bonus scheme has been established for the employees, based on financial results and other criteria.

Remuneration to the Board of Directors and CEO

The Board of Directors have not received any remuneration.

Principles for determination of compensation for executive management

The focus of the Group is to hire qualified managers and to pay according to the market. Salary and remuneration of the CEO is determined by the Board of Directors, and payment to other employees is determined by the CEO. The executive management is defined as the CEO and CFO.

The executive management, including the CEO principally have four payment components:
1. Fixed salary
2. Pension scheme
3. Bonus payments (cash) based on financial results
4. Other benefits

Fixed salary and pension scheme for the executive management, including the CEO, are on commercial terms and conditions. The executive management, including the CEO, also have a bonus incentive scheme after which they receive a bonus payment in cash on the basis of the Group's financial results before bonus, finance costs and tax for the previous financial year.

The members of the executive management have ordinary benefits in kind such as free use of phone, newspaper subscriptions, ordinary pension contributions, life insurance and health insurance.

As a guideline, the Group shall not agree to severance pay for members of executive management unless required under applicable law or required for the Group to secure the necessary expertise and takes place in accordance with the fundamental principle for the Group's salary policy for management as stated above.

Remuneration to the CEO

USD 1 000	HANS AASNÆS JAN-MAR 2024	ØRJAN SVANEVIK MAR-AUG 2024	TORBJØRN GJERVIK SEP-DEC 2024	TOTAL 2024	TOTAL 2023
Salary	639	244	154	1 037	636
Bonus paid	-	-	-	-	1 163
Other remuneration	3	2	1	6	4
Total remuneration	**642**	**246**	**155**	**1 043**	**1 802**
Pension premium / cost	6	4	3	14	9

Former CEO Jens Ismar's employment was terminated in 2019. He had an early retirement agreement with the right to receive 66% of his salary as pension until he turned 67 in 2024. Jens Ismar has not claimed or received any early retirement pension from Western Bulk during 2024.

Present CEO Torbjørn Gjervik is entitled to 12 months' severance pay if he is released from his position by the Board.

Auditor fees

Fees to the auditor consist of the following services:

USD 1 000	2024	2023
Statutory audit	161	150
Tax advice	24	29
Other services outside the audit scope	10	9
Total	**196**	**188**

Pensions

The Group has several pension schemes for the employees. The pension schemes satisfy the respective statutory pension schemes in the countries where Western Bulk is located and cover a total of 97 employees. The Group may at any time make alterations to the terms and conditions of the pension schemes and undertake that they will inform the employees of any such changes.

Pension cost recognised in income statement:

USD 1 000	2024	2023
Defined contribution plans - expense	724	831
Defined benefit plan - expense	21	-117
Total	**745**	**714**

Defined contribution plans

In the defined contribution plan, the Group pays an agreed annual contribution to the employee's pension plan. The future pension will be determined by the amount of the contributions and the return on the pension savings. Any risk related to the future pension is borne by the employee. The pension cost related to defined contribution plans will be equal to the contributions to the employee's pension savings in the reporting period. The retirement age is 67 years.

Defined contribution plan - salary above 12G

For this defined contribution plan, an annual amount is transferred to a secured fund with a security deposit. Contribution to the mutual fund is a pledged asset for the company, as well as a corresponding gross pension obligation to the members of the executive management. The mutual fund is pledged for the benefit of the executive management. In addition to the annual contribution, the company accrues for social security cost relating to the contribution and value development of the mutual funds.

Pension obligations

Pension obligations in the balance sheet consist of social security cost relating to net defined contribution plan for employees with salaries exceeding 12G.

Net pension expense for the defined benefit plan

USD 1 000	2024	2023
Annual contribution / (reversal of cost)	-41	-125
Interest cost	1	6
Payroll tax	-14	2
Pension expense, before remeasurements	**-54**	**-117**

Net pension obligation in the balance sheet

USD 1 000	2024	2023
Net defined benefit obligation (asset)	107	139
Payroll tax	154	146
Obligation in financial statement	**261**	**285**
Change in benefit obligation		
Defined benefit obligation at the beginning of year	998	1 018
Service cost	227	8
Interest cost	1	9
Remeasurements	-	70
Benefits paid	-9	-
Defined benefit obligation at end of year	**1 217**	**1 105**
Change in plan assets		
Plan assets at beginning of year	866	753
Interest income on plan assets	-	4
Employer contributions	47	72
Adjustment of plan assets	197	138
Plan assets at end of year	**1 110**	**966**

NOTE 5 // FIXED- AND INTANGIBLE ASSETS

USD 1 000	GRABS	INTANGIBLE	OTHER	TOTAL
Acquisition cost as of 01.01.2024	132	765	2 024	2 921
Additions during the year		39	222	260
Writedown			-22	-22
Acquisition cost as of 31.12.2024	**132**	**804**	**2 224**	**3 160**
Accumulated depreciation as of 01.01.2024	132	656	1 760	2 548
Depreciation for the year		29	142	171
Writedown			-22	-22
Disposals			-2	-2
Accumulated depreciation as of 31.12.2024	**132**	**685**	**1 879**	**2 696**
Book value as of 31.12.2024	**-**	**119**	**345**	**464**
Economic life time	5 year	5 year	5 year	

Other fixed assets is mainly related to office equipment.

NOTE 6 // TAX

USD 1 000	2024	2023
The tax expense for the year consists of:		
Taxes payable	1 005	859
Tonnage tax	613	704
Correction for previous years tax provisions	-	26
Changes in deferred tax	-683	-48
Total tax expense / (income)	**935**	**1 542**
Deferred tax relates to the following temporary differences:		
Fixed assets	-27	-31
Pensions	-1 247	-1 181
Accruals and provisions	-2 842	-
Gain / (loss) account for deferral	210	293
Interest deductions/tax losses carried forward	-1 245	-1 782
Finance loss carried forward	-	-1 997
Total temporary differences	**-5 151**	**-4 698**
Deferred tax liability / (asset), net	-1 149	-1 054
Deferred tax asset not recognised in the balance sheet	274	831
Net deferred tax liability / (asset) recognised in the balance sheet	**-875**	**-223**
Deferred tax (asset), gross	-932	-290
Deferred tax liability, gross	57	67

Deferred tax liability is related to the tonnage tax system and can not be off-set with the deferred tax asset from ordinary taxation.

Analysis of the effective tax rate of the Group

The parent company Western Bulk Chartering AS is resident in Norway, where the corporate tax rate is 22%, while other parts of the Group are taxed in other jurisdictions. This analysis explains the main reasons for the effective tax rate of the Group differing from 22%.

USD 1 000	2024	2023
Profit before tax	-1 813	-14 079
Total tax expense / (income)	935	1 542
Effective tax rate	**-52%**	**-11%**
Calculated tax expense at 22% tax rate	-399	-3 097
Non-deductible expenses:		
Other non deductable costs	10	191
Non-taxable income:		
Difference in pre-tax profit / (loss) between functional currency and NOK, and taxable income within tonnage tax system and other tax regimes	1 150	3 717
Tax not related to result:		
Tonnage tax	613	704
Other tax effects:		
Utilisation of tax loss carried forward	-439	
Correction for previous years tax provisions	-	26
Total tax expense / (income)	**935**	**1 541**

NOTE 7 // CONTINGENCIES AND PROVISIONS

Provisions for disputes

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.

Due to ongoing disputes, the Group chooses not to disclose details of accruals. The total amount provided for where the Group is defendant is USD 5.7 million as of 31.12.2024 compared to USD 8.2 million as of 31.12.2023.

Impairment provisions

A provision for future losses has been made as the Group's overall forward book of contracts has a negative value of USD 4.2 million as of 31.12.2024. No provision has been made in relation to redelivery of bunkers and potential future liabilities.

NOTE 8 // INTEREST-BEARING DEBT

Overdraft facility

The Group has entered into an overdraft facility in the amount of USD 25 million. As per 31.12.24, the facility was undrawn.

Bunker facility

The Group has entered into an uncommitted USD 10 million frame agreement for up to 90 days extended payment on bunker invoices. As per 31.12.2024 the facility was undrawn.

Shareholder loan

No shareholder loan was outstanding as per 31.12.2024.

Financial covenants

The overdraft facility includes financial covenants requiring that the Group shall ensure:

- a consolidated cash balance at all times of no less than USD 10 million
- consolidated book equity of no less than USD 40 million
- loan to value of outstanding account receivables shall be less than 50%

The Group was in compliance with all of its applicable financial covenants as of 31.12.2024.

Security and pledges provided

The Group has provided pledges of accounts receivables and collection accounts as security for the overdraft facility. The Group has provided a pledge of a security account of USD 0.5 million as security for the bunker purchase facility.

NOTE 9 // PREPAID INCOME/COST

Prepaid income/cost is related to cleared FFA/Bunker hedge contracts. Prepaid income amounts to USD 3,4 million as of 31.12.2024.

USD MILLION	BOOK VALUE
Cleared FFA/ Bunker hedge contracts maturing in 2025	2,5
Cleared FFA/ Bunker hedge contracts maturing in 2026-2027	0,9
Total	**3,4**

NOTE 10 // BANK DEPOSITS

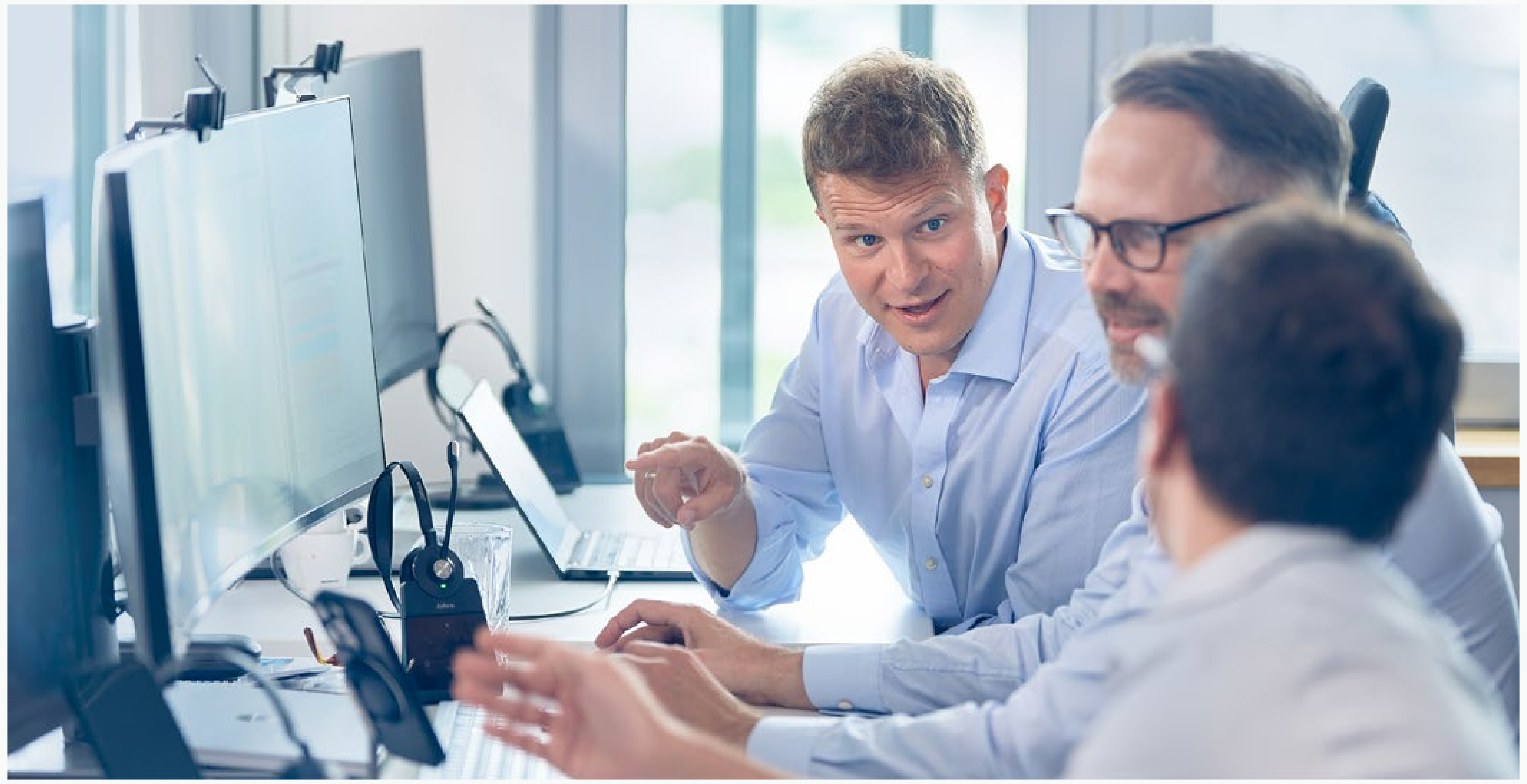
As of 31.12.2024, USD 3.8 million of the restricted deposits was tied to deposits in favor of clearing houses and USD 0.7 million was pledged in favor of DNB Bank ASA as guarantee deposits. USD 0.5 million was pledged in favor of DnNB Bank ASA as security for the bunker facility and USD 0.6 million was posted as security for FX hedges.

USD 1 000	2024	2023
Unrestricted bank deposits	28 421	32 890
Restricted bank deposits	5 741	7 531
Total bank deposits	**34 162**	**40 421**

NOTE 11 // EQUITY, NUMBER OF SHARES AND SHAREHOLDERS

USD 1 000	SHARE CAPITAL	SHARE PREMIUM	OTHER PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL
Equity as of 31.12.2023	**205**	**12 267**	**-**	**40 012**	**52 484**
Profit / (loss) for the year	-			-2 748	**-2 748**
Equity as of 31.12.2024	**205**	**12 267**	**-**	**37 264**	**49 736**
Share capital					
Nominal value per share				NOK	0.05
Registered share capital 31.12.2024				NOK	1 680 986
Registered share capital 31.12.2024, in USD				USD	205 080
Total number of shares issued as of 31.12.2024					**33 619 715**

LARGEST SHAREHOLDERS	# OF SHARES	OWNERSHIP %
Kistefos Group	23 093 152	68.7 %
Sayonara AS (former Ojada AS)	2 776 792	8.3 %
Citibank N.A.	946 440	2.8 %
Øra Industrier AS	640 000	1.9 %
Euroclear Bank S.A./N.V.	463 241	1.4 %
Other (1000 other shareholders)	5 700 090	17.0 %
	33 619 715	**100 %**
Shareholdings by CEO and Board of Directors		
CEO, Torbjørn Gjervik	133 026	0.4 %
Chairman of the Board, Bengt A. Rem (through Borken AS)	66 666	0.2 %
Board member, Ørjan Svanevik (through Oavik Capital AS)	18 000	0.1 %
Board member, Kristian Huseby	10 000	0.0 %
	227 692	**0.7 %**



// South Atlantic Chartering Managers Olav Haldorsen, Finn Mohn and Diego Jacob

NOTE 12 // OTHER PAYABLE

The increase in other payable is mainly due to provision made for future losses.

NOTE 13 // RELATED PARTIES

As of the date of this Annual Report, the main shareholder is Kistefos AS, controlling about 69% of the shares of the Issuer through its wholly owned subsidiary Kistefos Equity Holdings AS. The second largest shareholder, Sayonara AS (former Ojada AS), holds about 8% of the shares.

During 2024, the Group has had the following transactions with the Kistefos Group and Sayonara AS:

Kistefos AS

Kistefos AS has provided a Parent Company Guarantee for one of the Group's long term COAs. Kistefos AS receives a guarantee fee in return. As of 31.12.2024, the total outstanding payable amount to Kistefos AS was USD 0.4 million (2023: USD 0.2 million).

Sayonara AS

There were no related party transactions with Sayonara AS during 2024 (2023: nil).

NOTE 14 // FINANCIAL INSTRUMENTS

Bunkers instruments

The Group hedges its bunkers exposure related to freight contracts. The mark-to-market value of the hedging contracts as of 31.12.2024 amounted to USD -0.2 million.

USD MILLION	MARKET VALUE
Bunker hedges (swaps and options) maturing in 2025	-0.2
Bunker hedges (swaps and options) maturing in 2026-2027	-0.0
Total	**-0.2**

Freight instruments

As of 31.12.2024 the Group had entered into FFA contracts (forward freight agreements) and freight options for the period 2025 - 2027. The mark-to-market value of the hedging contracts as of 31.12.2024 amounted to USD -3.2 million.

USD MILLION	MARKET VALUE
FFA (forward freight agreements incl. options) maturing in 2025	-2.3
FFA (forward freight agreements incl. options) maturing in 2026-2027	-0.9
Total	**-3.2**

FX-hedge for G & A expenses

As of 31.12.2024 the Group has hedged its NOK G&A requirements until December 2025 with forward currency contracts. The fair value of these derivatives as of 31.12.2024 amounted to USD -0.5 million.

NOTE 15 // SHARES IN SUBSIDIARIES

WESTERN BULK CHARTERING AS HAS THE FOLLOWING DIRECT OWNERSHIP IN SUBSIDIARIES AS OF 31.12.2024	OWNERSHIP/ VOTING SHARE	BUSINESS OFFICE
Western Bulk Management AS	100 %	Oslo
Western Bulk Carriers AS	100 %	Oslo
Western Bulk Pte Ltd	100 %	Singapore
Western Bulk Carriers (Seattle) Inc.	100 %	Seattle
Western Bulk Carriers (Sweden) AB	100 %	Järna
Western Bulk (Chile) Ltda	100 %	Santiago
Western Bulk (Denmark) ApS	100 %	Copenhagen

NOTE 16 // ESTIMATES

Due to the fact that a number of voyage related expenses are received well after a voyage has been completed, expenses are estimated until final invoices are received. As the accounts are based on a number of estimates, the 2024 profit and loss statement has been positivly impacted by USD 9.9 million due to the difference between estimated and actual expenses and provisions related to prior period voyages. The 2023 profit and loss statement had a positive adjustment of USD 8.2 million for prior period voyages.

NOTE 17 // LEASING AND OTHER COMMITMENTS

TC Contracts - Group as lessee

Vessels chartered in on time charter for a period represent a commitment to pay hire. The minimal nominal hire payable represents a lease commitment of USD 38.5 million exclusive of optional periods. For vessels chartered in on floating rates, an estimate has been applied for the hire commitment, for a total of USD 35,9 million.

Charter coverage: For 2024 approximately 12 vessels out of a fleet of 30 vessels have employment with existing cargo contracts or have been relet on timecharter.

HIRE TYPE	OPEN VESSEL DAYS	NOMINATED HIRE	AVG RATE (USD/D)
Fixed	2 716	38 455 788	14 159
Floating (estimated)	3 540	35 845 131	10 127
Total	**6 256**	**74 300 919**	**11 878**

TC contracts - Group as a lessor

14 vessels are chartered out on TC-contracts lasting between 30 and 70 days as of December 31, 2024. These non-cancellable leases have terms of renewal but no purchase options or escalation clauses. Future minimum rentals receivable under non-cancellable operating leases are as follows:

	< 30 DAYS	1-3 MONTHS	> 3 MONTHS	TOTAL
Nominal Hire Receivable (USD 1 000)	**9 663**	**2 341**	**-**	**12 004**
Vessel Days	781	194	-	975
Average Rate USD / Day	12 374	12 052	-	12 310

Leasing of offices

The Group leases office premises in Oslo (Norway), Santiago (Chile), Seattle (USA), Singapore, Casablanca (Morocco) and Dubai (United Arab Emirates). Total annual lease commitents amount to approximately USD 1.6 million. The lease contracts expire in the period of April 2025 to August 2028.

NOTE 18 // SUBSEQUENT EVENTS

There are no material events subsequent to the balance sheet date of 31.12.2024.

// Operations trainee Haziq Danish and Head of Operations Maria Dellgren

Parent Company Financials

// Portfolio Manager Emissions Henrik Ramm

PARENT COMPANY // PROFIT AND LOSS STATEMENT

USD	NOTE	2024	2023
Other operating revenue		-128 829	707 172
Administration expenses	2,3,4	-1 583 119	-1 118 101
Provision for future loss	5	-	4 620 000
Operating profit/ (loss)		**-1 711 948**	**4 209 071**
Net interest income		993 030	888 255
Net interest expense		-934 566	-813 348
Gain / (loss) on foreign exchange		-103 057	173 793
Writedown / Reversal writedown financial assets	7	-8 970 744	175 213
Provision for financial future loss	5	-2 841 890	-
Dividend from subsidiary company		-	18 400 000
Group Contribution		1 990 487	1 182 989
Result Positional FFA		2 800 360	-3 750 781
Other financial items		-444 971	-337 473
Net finance		**-7 511 351**	**15 918 648**
Profit / (loss) before tax		**-9 223 300**	**20 127 719**
Tax income / (expense)	6	377 688	-
Profit / (loss) for the year		**-8 845 613**	**20 127 719**

PARENT COMPANY // BALANCE SHEET

USD	NOTE	2024	2023
ASSETS			
Non current assets			
Deferred tax asset	6	625 216	-
Investment in subsidiaries	7	30 337 198	39 337 198
Total non current assets		**30 962 414**	**39 337 198**
Current assets			
Receivables from group companies	4	9 277 347	1 841 714
Other receivables		516 572	354 333
Receivable derivatives		3 453 011	-
Receivable EUA		-	1 458 572
Bank deposits	8	28 820 382	19 451 411
Total current assets		**42 067 312**	**23 106 031**
TOTAL ASSETS		**73 029 726**	**62 443 228**
SHAREHOLDERS` EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital	9,10	205 080	205 080
Share premium		12 267 311	12 267 311
Total paid-in capital		**12 472 391**	**12 472 391**
Retained earnings			
Other equity / (uncovered loss)		24 132 075	32 977 689
Total retained earnings		**24 132 075**	**32 977 689**
TOTAL SHAREHOLDERS' EQUITY	9	**36 604 466**	**45 450 080**

USD	NOTE	2024	2023
LIABILITIES			
Long term liabilities			
Total long term liabilities		-	-
Short term liabilities			
Accounts payable		896	-
Taxes payable	6	211 453	-
Liabilities to parent company	4	360 000	240 000
Liabilities to group companies	4	32 961 021	13 625 894
Payable derivatives		-	3 127 256
Other current liabilities	5	2 891 890	-
Total short term liabilities		**36 425 260**	**16 993 150**
TOTAL LIABILITIES		**36 425 260**	**16 993 150**
TOTAL SHAREHOLDERS` EQUITY AND LIABILITIES		**73 029 726**	**62 443 228**

OSLO, 13. MARCH 2025

BENGT A. REM
CHAIRMAN OF THE BOARD

ØRJAN SVANEVIK
BOARD MEMBER

KRISTIAN HUSEBY
BOARD MEMBER

ULRIKA LAURIN
BOARD MEMBER

BETINA NYGAARD
BOARD MEMBER

TORBJØRN GJERVIK
CEO

// Developer Anusha Dk and CDO Martin Hjelle

PARENT COMPANY // CASH FLOW STATEMENT

USD	2024	2023
CASH FLOW FROM OPERATIONS		
Profit / (loss) before tax	-9 223 300	20 127 719
Taxes paid	-	-256 934
Writedown/reversal of writedown investment in subsidiaries	9 000 000	-175 213
Changes in current receivables and current liabilities	-2 307 223	5 143 049
Net cash flow from / (to) operating activities	**-2 530 523**	**24 838 621**
CASH FLOW FROM INVESTMENTS		
Investments in / disposal of financial assets	-	322 753
Dividends received which reduce investments in subsidiaries	-	1 600 000
Investments in subsidiaries		
Net cash flow from investments	**-**	**1 922 753**
CASH FLOW FROM FINANCING ACTIVITIES		
Share dividend paid	-	-10 000 000
Change in intra-group balances	11 899 494	-34 135 332
Net cash flow from financing activities	**11 899 494**	**-44 135 332**
Net change in liquidity during the year	**9 368 970**	**-17 373 959**
Liquid assets as of 1.1.	19 451 412	36 825 371
Liquid assets as of 31.12	**28 820 382**	**19 451 412**
Restricted bank deposits as of 31.12.	5 102 967	7 341 631
Available liquid assets as of 31.12	**23 717 415**	**12 109 781**

Notes to the Accounts

NOTE 1 // ACCOUNTING PRINCIPLES

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

Reporting currency and functional currency
The company accounts are reported in USD and the functional currency is also USD.

Foreign currency
Monetary items, receivables and liabilities in the balance sheet denominated in other than USD are recorded at the year end exchange rates. Profit and loss items in foreign currency are recorded at exchange rates prevailing at the time of the transaction. Both realised and unrealised gains and losses are included under financial items in the profit and loss statement.

The following exchange rate has been used as at 31.12.2024: USD/NOK 11.353

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

Revenue recognition
Interest income and other revenues are accounted for when earned.

Dividends/group contributions are accounted for at the time when such dividend/group contribution is received, or when provided for, when the Western Bulk Chartering Group has controlling interest.

Dividend being classified as repayment of paid in capital, is recognised in the balance sheet and reduces the value of the investment in the relevant subsidiary.

Investments in subsidiaries and associated companies
Subsidiaries and investments in associates are valued by the cost method in the company accounts. The investment is valued as cost of acquiring shares in the subsidiary, providing that write down is not required. Write down to fair value will be carried out if the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down is no longer present.

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

Deferred tax liabilities/deferred tax assets within the same tax system are recorded on a net basis. Deferred tax asset is recorded only if the future utilisation is probable.

Financial instruments and hedge accounting
Western Bulk Chartering and its subsidiaries (the "Group") has a defined hedging strategy. Reference is made to Notes in the Group accounts for information about financial instruments and hedge accounting.

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

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

NOTE 2 // ADMINISTRATIVE EXPENSES

The Company has no employees. All employees in the Norwegian activity of the Western Bulk Chartering Group are employed by the management company Western Bulk Management AS. Consequently Western Bulk Chartering AS is not obliged to have mandatory occupational pension scheme according to the Act relating mandatory occupational pensions. Western Bulk Management AS performs management services for Western Bulk Chartering AS.

NOTE 3 // REMUNERATION TO THE AUDITOR AND MEMBERS OF THE BOARD OF DIRECTORS

The audit fee to RSM Norge AS for the audit of the Annual accounts was USD 41 500. An additional USD 5 600 has been expensed regarding tax related services and USD 8 900 for other consulting services provided.

The Board of Directors have not received any remuneration.

NOTE 4 // INTRA-GROUP BALANCES AND TRANSACTIONS WITH RELATED PARTIES

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

COMPANY	2024	2023
Western Bulk Carriers AS	-23 945 330	-4 617 288
Western Bulk Pte Ltd	5 177 565	-253 960
Western Bulk Management AS	-4 793 977	-6 901 651
Western Bulk Carriers (Sweden) AB	-121 931	-11 281
Net receivables/(liabilities) from group companies	**-23 683 674**	**-11 784 180**

Western Bulk Chartering AS is trading derivatives for hedging purpose on behalf of Western Bulk Pte Ltd and Western Bulk Carriers AS. These derivatives require daily margin calls and settlement, and a master agreement allows Western Bulk Chartering AS to forward the margin calls to Western bulk Pte Ltd and Western Bulk Carriers AS.

Western Bulk Chartering AS and subsidiaries entered into a cash pool structure where Western Bulk Chartering AS is the Group Account Holder. As of 31.12.2024, the Company had a net debt due to the subsidiaries of USD 24 935 478 (USD 9 105 894 as of 31.12.23).

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

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

The Company has transactions with related companies and all transactions have been carried out as part of the ordinary operations and at arms-length prices. Western Bulk Chartering AS enters into FFA contracts (forward freight agreements), freight options and bunker hedges on behalf of its subsidiaries and receives a commission based on the related contracts. The total commission for 2024 amounted to USD 988 754. The intercompany balances related to these transactions are shown in the table above. See Note 14 in the consolidated group accounts for an overview of the financial instruments.

Other significant transactions are as follows: Management fee for 2024 paid to Western Bulk Management AS amounting to USD 1 335 685.

During 2024, the Company has had the following transactions with the Kistefos Group and Sayonara AS:

Kistefos AS
Kistefos AS has provided a parent company guarantee for one of the Group's long term COAs. Kistefos AS will receive a guarantee fee in return.

As of 31.12.2024, the total outstanding payable amount to Kistefos AS was USD 360 000.

Sayonara AS
There were no related party transactions with Sayonara AS during 2024.

NOTE 5 // CONTINGENCIES AND PROVISION

A provision for future financial loss of USD 2.8 million has been made as the company's forward book of contracts has a negative value as per 31.12.2024. Reference is made to note 7 in the consolidated group accounts.

NOTE 6 // TAX

USD	2024	2023
The tax expense for the year consists of:		
Taxes payable	247 528	-
Changes in deferred tax	-625 216	-
Total tax expense / (income)	**-377 688**	**-**
Taxes		
Profit / (loss) before tax	-9 223 300	20 127 719
Writedown / (reversal of writedown) financial assets	9 000 000	-
Change in temporary differences	2 841 879	-4 525 342
Other non deductable costs	4 875	842 373
Utilization of interest deductions/tax loss carried forward	-2 534 397	-
Other	-	-147 294
Tax exempt dividends received	-	-18 400 000
Difference in pre-tax profit / (loss) between functional currency and NOK	1 036 071	105 391
Basis for tax payable	**1 125 127**	**-1 997 153**
Tax payable 22%	**247 528**	**-**
Deferred tax relates to the following temporary differences:		
Accruals and provisions	-2 841 879	-
Interest deductions / Tax loss carried forward	-1 244 581	-3 778 978
Total temporary differences	**-4 086 460**	**-3 778 978**
Deferred tax asset not recognised in the balance sheet	**273 808**	**831 375**
Deferred tax liability / (asset)	**-625 216**	**-**

NOTE 7 // SHARES IN SUBSIDIARIES

WESTERN BULK CHARTERING AS HAS THE FOLLOWING DIRECT OWNERSHIP AS OF 31.12.2024	BUSINESS OFFICE	OWNERSHIP/ VOTING SHARE	BOOK VALUE (USD)
Western Bulk Management AS	Oslo, Norway	100 %	6 044 737
Western Bulk Carriers AS	Oslo, Norway	100 %	16 614 472
Western Bulk Pte Ltd [2]	Singapore	100 %	7 400 001
Western Bulk (Chile) Ltda [1]	Santiago, Chile	100 %	51
Western Bulk Carriers (Seattle) Inc	Seattle, USA	100 %	266 496
Western Bulk Carriers (Sweden) AB	Järna, Sweden	100 %	5 930
Western Bulk (Denmark) ApS	Copenhagen, Denmark	100 %	5 510
Investments in subsidiaries			**30 337 198**

[1] 99.9% is owned by the subsidiary Western Bulk Pte Ltd.
[2] The investment is written down with USD 9 million as of 31.12.2024

NOTE 8 // BANK DEPOSITS

As at 31.12.2024 the restricted deposits were tied to deposits in favor of clearing houses.

USD	2024	2023
Unrestricted bank deposits	23 717 414	12 109 780
Restricted bank deposits	5 102 967	7 341 631
Total bank deposits	28 820 382	19 451 411

The company had a net debt due to the subsidiaries of USD 24 935 478 as of 31.12.2024 (USD 9 105 894 as of 31.12.2023) included in the numbers above.

NOTE 9 // EQUITY

	SHARE CAPITAL	SHARE PREMIUM	OTHER PAID-IN EQUITY	OTHER EQUITY	TOTAL
Equity as of 31.12.2023	**205 080**	**12 267 311**	**-**	**32 977 689**	**45 450 080**
Profit / (loss) for the year	-			-8 845 613	**-8 845 613**
Equity as of 31.12.2024	**205 080**	**12 267 311**	**-**	**24 132 075**	**36 604 466**

NOTE 10 // SHARES AND SHAREHOLDERS

Share capital		
Nominal value per share	NOK	0.05
Registered share capital 31.12.2024	NOK	1 680 986
Registered share capital 31.12.2024, in USD	USD	205 080
Total number of shares issued as of 31.12.2024		33 619 715

LARGEST SHAREHOLDERS	# OF SHARES	OWNERSHIP %
Kistefos Group	23 093 152	68.7 %
Sayonara AS (former Ojada AS)	2 776 792	8.3 %
Citibank N.A.	946 440	2.8 %
Øra Industrier AS	640 000	1.9 %
Euroclear Bank S.A./N.V.	463 241	1.4 %
Other (1 000 other shareholders)	5 700 090	17.0 %
	33 619 715	**100 %**
Shareholdings by CEO and Board of Directors		
CEO, Torbjørn Gjervik	133 023	0.40 %
Chairman of the Board, Bengt A. Rem through Borken AS	66 666	0.20 %
Board member, Ørjan Svanevik (through Oavik Capital AS)	18 000	0.05 %
Board member, Kristian Huseby	10 000	0.03 %
	227 689	**0.7 %**

NOTE 11 // INTEREST-BEARING DEBT

Overdraft facility

The Company has entered into an overdraft facility in the amount of USD 25 million.
As per 31.12.2024, the facility was undrawn.

Financial covenants

The overdraft facility and the revolving credit facility mentioned in note 13 below includes financial covenants requiring that the Group shall ensure:

- a consolidated cash balance at all times of no less than USD 10 million
- consolidated book equity of no less than USD 40 million
- loan to value of outstanding account receivables shall be less than 50%

The Group was in compliance with all of its applicable financial covenants as of 31.12.2024.

Security and pledges provided

The subsidiaries Western Bulk Carriers AS and Western Bulk Pte Ltd have provided pledges of accounts receivables and collection accounts as security for the overdraft facility. The Company has provided a pledge of a security account of USD 0.5 million as security for the bunker purchase facility.

NOTE 12 // FINANCIAL INSTRUMENTS

The Company trades all currency-, freight- and bunker derivatives with external counterparts on behalf of the subsidiaries. See Note 14 in the consolidated group accounts for an overview of the market value as at 31.12.2024.

NOTE 13 // GUARANTEES

Bunker facility

Western Bulk Carriers AS and Western Bulk Pte Ltd have entered into an uncommitted USD 10 million frame agreement for up to 90 days extended payment on bunker invoices. Western Bulk Chartering AS is a guarantor for the facility. As of 31.12.2024, the facility was undrawn.

Western Bulk Chartering AS has provided some parent company guarantees for its subsidiaries' performances under some of their commercial contracts.

Western Bulk Chartering AS on behalf of the Group has entered into a frame agreement for guarantee purposes with Tryg Garanti AS of maximum NOK 35 million. A total of NOK 7.6 million in guarantees has been issued under the frame agreement as per 31.12.2024.

NOTE 14 // SUBSEQUENT EVENTS

There are no material events subsequent to the balance sheet date of 31.12.2024.

Auditor's Report

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To the General Meeting of Western Bulk Chartering AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Western Bulk Chartering AS showing a loss of USD 8 845 613 in the financial statements of the parent company and a loss of USD 2 748 000 in the financial statements of the group. The financial statements comprise:

- the financial statements of the parent company Western Bulk Chartering AS (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 Western Bulk Chartering AS and its subsidiaries (the Group), 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.

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 its 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 its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

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

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Oslo, 13 March 2025
RSM Norge AS

Cecilie Tronstad

Cecilie Tronstad
State Authorised Public Accountant


Western Bulk