



Klaveness  
Combination Carriers

# Fourth Quarter 2024



# HIGHLIGHTS

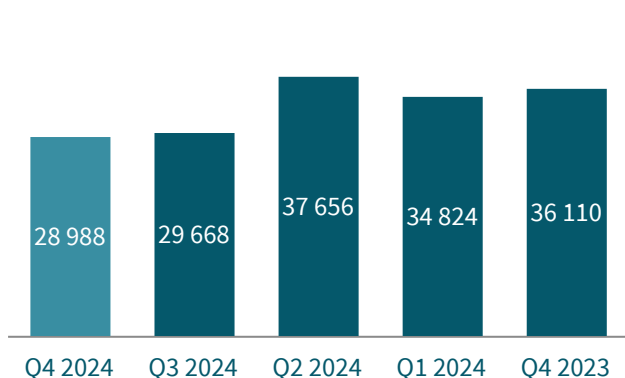
- Q4 2024 EBITDA of USD 20.2 million (Q3 2024: USD 32.6 million) and EBT of USD 8.6 million (Q3 2024: USD 21.7 million)
- Both vessel segments outperformed the product tanker and dry bulk markets in the quarter<sup>2</sup>
- CLEANBU TCE earnings of \$28,027/day (Q3 2024: \$38,673/day), impacted by weaker markets
- CABU TCE earnings of \$28,988/day (Q3 2024: \$29,668/day) supported by high caustic soda volume
- Approx. 90% of CABU wet capacity<sup>3</sup> (caustic soda solution) secured for 2025, implying continued efficient trading in 2025
- Q4 dividend of USD 0.10 per share amounting to USD 6.0 million (Q3 2024: USD 0.30 per share)



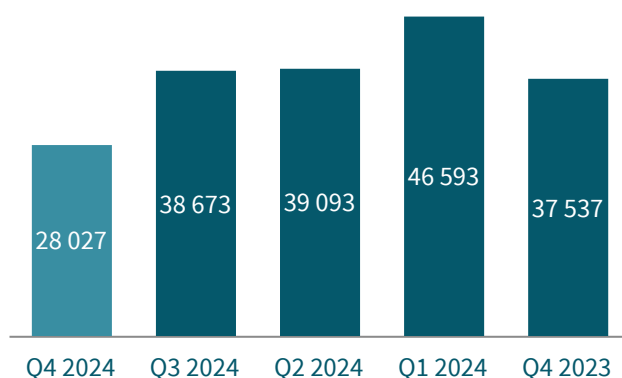
“2024 was a historically strong year for KCC, with TCE earnings surpassing spot product tanker earnings in an exceptional year for product tankers. While earnings have fallen back following weaker product tanker and dry bulk markets in Q4 2024 and early Q1 2025, KCC’s efficient combination model is expected to deliver higher earning premiums over the standard markets in 2025 than in 2024.”

- Engebret Dahm, CEO Klaveness Combination Carriers ASA

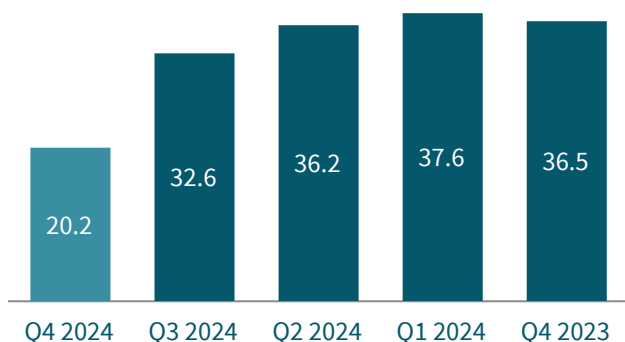
Average CABU TCE earnings (\$/day)<sup>1</sup>



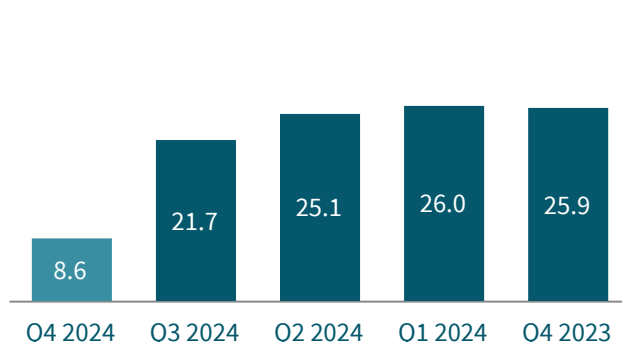
Average CLEANBU TCE earnings (\$/day)<sup>1</sup>



EBITDA (MUSD)



Profit/(loss) after tax (MUSD)



<sup>1</sup> Average TCE earnings \$/day, Return On Capital Employed (ROCE) and Return On Equity (ROE) are alternative performance measures (APMs) which are defined and reconciled in the excel sheet “APM4Q2024” published on the Company’s homepage ([www.combinationcarriers.com](http://www.combinationcarriers.com)) Investor Relations/Reports and Presentations under the section for the Q4 2024 report.

<sup>2</sup> Clarksons, MR (CABU) and LR1 (CLEANBU) tanker multiple calculated based on assumption of one-month advance cargo fixing/«lag»

<sup>3</sup> Contract coverage includes one small fixed-rate caustic soda contract (2 cargoes) concluded with subjects not yet lifted.

## > FINANCIAL PERFORMANCE

(USD '000)	Q4 2024	Q3 2024	Q4 2023	2024	2023
Net revenues from vessel operations	37 504	48 768	53 110	191 940	196 805
EBITDA	20 192	32 557	36 536	126 516	134 947
Profit after tax	8 615	21 687	25 892	81 410	86 899
Earnings per share (USD)	0.14	0.36	0.43	1.35	1.52
Total assets	612 216	614 451	628 041	612 216	628 041
Equity	359 866	370 113	361 698	359 866	361 698
Equity ratio <sup>1</sup>	59%	60%	58%	59%	58%
ROCE annualised <sup>1</sup>	8%	17%	19%	16%	17%
ROE annualised <sup>1</sup>	10%	23%	29%	23%	24%
	<b>Q4 2024</b>	<b>Q3 2024</b>	<b>Q4 2023</b>	<b>2024</b>	<b>2023</b>
Average TCE \$/day <sup>1</sup>	28 527	34 052	36 823	35 367	34 983
OPEX \$/day <sup>1</sup>	9 830	9 315	8 909	9 357	8 602
On-hire days	1 315	1 432	1 442	5 427	5 626
Off-hire days, scheduled	151	38	10	408	178
Off-hire days, unscheduled	6	2	19	21	37
% of days in combination trades <sup>2</sup>	85%	86%	87%	82%	85%

### FOURTH QUARTER

EBITDA and Profit after tax for the fourth quarter ended at USD 20.2 and USD 8.6 million respectively, down from USD 32.6 million and USD 21.7 million in the previous quarter. Average fleet TCE earnings for the quarter were approximately \$5,500/day lower than in Q3 2024 mainly due to lower CLEANBU TCE earnings impacted by weaker product tanker markets and less optimal trading.

EBITDA and Profit after tax were as well down compared to the same quarter last year, primarily due to lower earnings, as well as more dry-docking related off-hire and higher operating expenses.

Operating expenses increased by USD 0.8 million/6% Q-o-Q mainly due to an insurance deductible, fuel consumption during off-hire and ship management fees related to 2024 dry-dockings invoiced in Q4. Administrative expenses decreased by USD 0.2 million/6% Q-o-Q mainly due to lower service fees. Depreciations were in line with last quarter, while net finance cost increased by USD 0.5 million/15% Q-o-Q, positively impacted by lower interest expenses on mortgage debt and bond loan, offset by foreign exchange effects.

### FULL YEAR

Average TCE earnings of the fleet increased slightly in 2024 compared to 2023 (approximately \$400/day), however the fleet had 199/4% less on-hire days in 2024 due to the CLEANBU dry-docking program. As a result, Profit after tax for the year ended at USD 81.4

million, a decrease of USD 5.5 million/6% from a record strong 2023, while EBITDA was USD 126.5 million in 2024 compared to USD 134.9 million in 2023.

Operating expenses increased by 9% Y-o-Y mainly due to inflation particularly on crew travel, spare parts and service engineers as well as intensified maintenance and added crew. Administrative expenses were down 1% Y-o-Y, Depreciation decreased by 4% Y-o-Y and net finance cost improved by 10% Y-o-Y. The latter mainly due to lower interest expenses on mortgage debt, partly offset by negative foreign exchange effects and interest expenses on bond loan.

### CAPITAL AND FINANCING

Cash and cash equivalents ended at USD 56.1 million by year-end 2024, an increase of USD 4.8 million during the quarter and a decrease of USD 11.9 million from year-end 2023. Available long-term liquidity (cash and cash equivalents and available capacity on long-term revolving credit facilities) decreased by USD 5.2 million during the quarter and USD 9.9 million Y-o-Y. EBITDA and a positive change in working capital both for the year and for the quarter were more than offset by cost of dry-dockings and energy efficiency measures, net debt service and dividend payments.

Total equity ended at USD 359.9 million, a decrease of USD 10.3 million from end Q3 2024 and quite flat from year-end 2023. The

<sup>1</sup> Alternative performance measures (APMs) are defined and reconciled in the excel sheet "APM4Q2024" published on the Company's homepage ([www.combinationcarriers.com](http://www.combinationcarriers.com)) Investor Relations/Reports and Presentations under the section for the Q4 2024 report.

<sup>2</sup> % of days in combination trades = number of days in combination trades as a percentage of total on-hire days. A combination trade starts with wet cargo (usually caustic soda or clean petroleum products), followed by a dry bulk cargo. A combination trade is one which a standard tanker or dry bulk vessel cannot perform. The KPI is a measure of KCC's ability to operate our combination carriers in trades with efficient and consecutive combination of wet and dry cargos versus trading as a standard tanker or dry bulk vessel. There are two exceptions to the main rule where the trade is a combination trade: Firstly, in some rare instances a tanker cargo is fixed instead of a dry bulk cargo out of the dry bulk exporting region where KCC usually transports dry bulk commodities. E.g., the vessel transports clean petroleum products to Argentina followed by a veg oil cargo instead of a grain cargo on the return leg. Secondly, triangulation trading which combines two tanker (drybulk) voyages followed by a dry bulk (tanker) voyage with minimum ballast in between the three voyages (e.g., CPP Middle East-Far East +CPP Far East Australia +Dry bulk Australia-Middle East) are also considered combination trade.

development Y-o-Y is mainly explained by Profit after tax of USD 81.4 million, negative other comprehensive income of USD 3.6 million, paid dividends of USD 78.6 million, net negative effects from the share buyback program announced 13 December 2024 and employee share purchases of in total USD 1.1 million. The equity ratio ended at 58.8% per year-end 2024, up from 57.5 % at year-end 2023.

Interest-bearing debt was USD 224.4 million at the end of 2024, down USD 1.2 million from end of Q3 2024 and down USD 22.5 million from year-end 2023, the latter mainly due to ordinary debt repayments. The Group had per year-end 2024 USD 115.0 million available and undrawn under long-term revolving credit facilities (year-end 2023: USD 113 million) and USD 8.0 million available and undrawn under a 364-days overdraft facility (year-end 2023: USD 8.0 million).

#### EVENTS AFTER THE BALANCE SHEET DATE

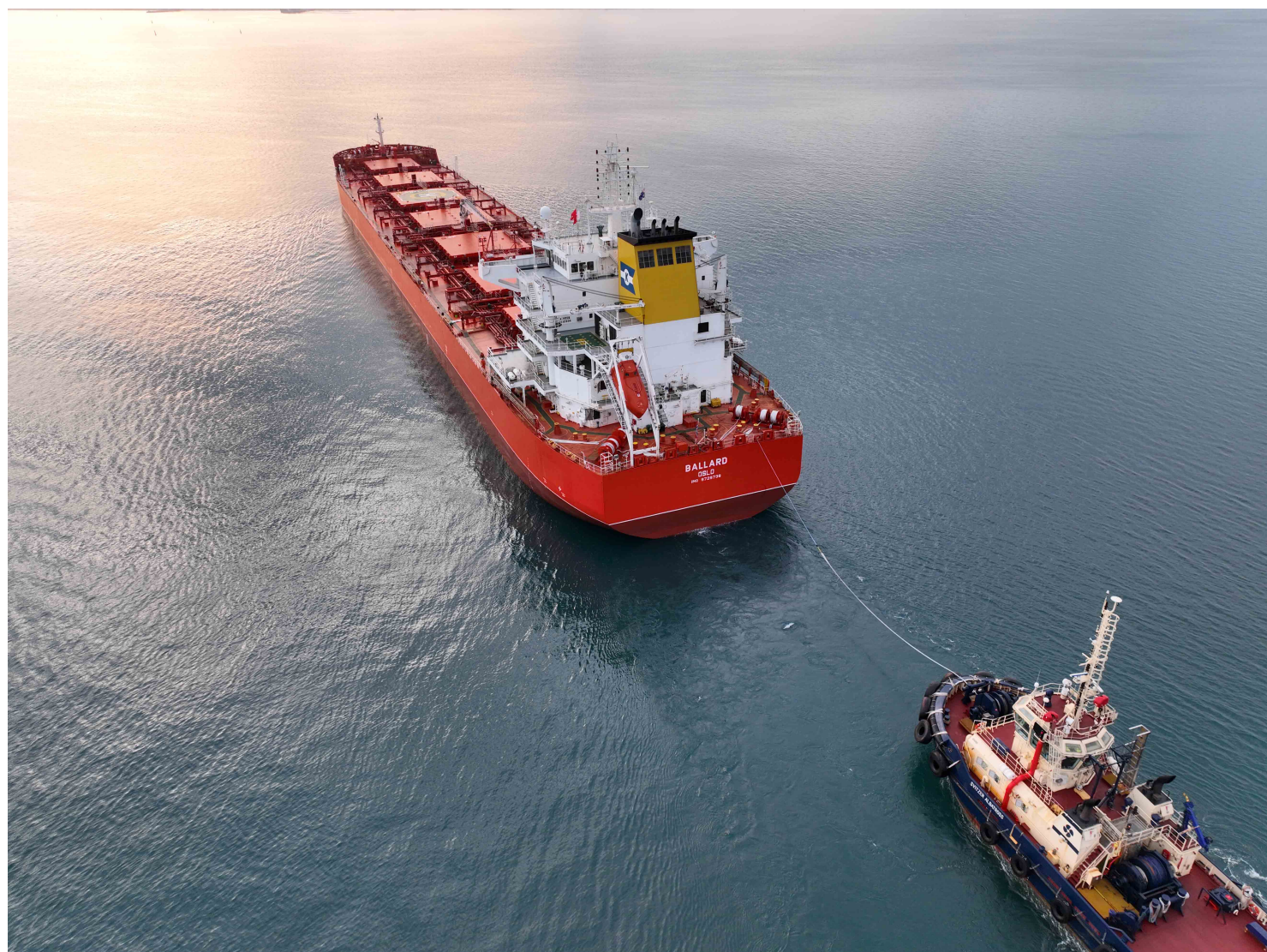
On 13 February 2025, the Company's Board of Directors declared to pay a cash dividend to the Company's shareholders of USD 0.10 per share for the fourth quarter 2024, in total approximately USD 6.0 million. The dividend equals 158% of adjusted cash flow to equity (ACFE) for the quarter, in line with the company's policy to

distribute quarterly dividends of at minimum 80% of the ACFE (see slide 44 in Q4 Presentation for details). In total, KCC has declared shareholder distributions equalling 94% of the ACFE for the 2024 fiscal year.

The Company has in 2025 purchased 1,004,157 shares under the share buyback program announced 13 December 2024 for in total USD 6.7 million. The total number of shares under the program (1.2 million, approximately 2% of the share capital) has been purchased in 2024 and 2025, with the final transaction under the program made on 10 February 2025.

In relation to the steel cutting of the first CABU newbuild in January 2025, a subsidiary of KCC paid the second yard instalment of USD 5.7 million to the yard.

Torvald Klaveness' sale of Klaveness Ship Management (KSM) to OSM Thome took place with effect from 1 January 2025. In connection with this sale the new ship management agreements between KCC and the now OSM Thome owned KSM came into force and KCC's organization was strengthened by employing project and commercial operation resources that prior to the sale indirectly worked for KCC as part of the KSM organization.



## > THE CABU BUSINESS

	Q4 2024	Q3 2024	Q4 2023	2024	2023
Average TCE \$/day <sup>1</sup>	28 988	29 668	36 110	32 716	34 742
OPEX \$/day <sup>1</sup>	8 676	8 520	8 784	8 631	7 746
On-hire days	684	735	722	2 779	2 754
Off-hire days, scheduled	46	0	0	130	140
Off-hire days, unscheduled	6	1	14	19	26
% of days in combination trades <sup>2</sup>	91%	88%	95%	94%	92%
Ballast days in % of total on-hire days <sup>3</sup>	13%	12%	10%	11%	12%

### FOURTH QUARTER

The CABU TCE earnings kept up well during Q4 2024 despite much weaker underlying product tanker and dry bulk markets, and delivered considerably higher TCE earnings compared to standard MR<sup>5</sup> tanker vessels in Q4, with a multiple of 1.7. Average TCE earnings per on-hire day for the CABU vessels ended at \$28,988/day in Q4 2024, approximately \$700/day down from last quarter. Earnings were supported by a higher number of caustic soda solution (CSS) shipments relative to Q3 2024. The CABU fleet continued to trade efficiently with 91% combination trading and 13% ballast for the quarter.

Compared to Q4 2023, TCE earnings in Q4 2024 decreased by approximately \$7,100/day mainly due to significantly weaker product tanker markets, negatively impacting the index-linked CSS contracts and somewhat less efficient trading.

Average operating expenses of \$8,676/day for Q4 2024 were up approximately \$150/day from the previous quarter and down approximately \$100/day compared to Q4 2023 mainly explained by normal variations between quarters.

The CABU fleet had six unscheduled off-hire days related to repairs in Q4 2024 and 46 scheduled off-hire days related to the dry-docking of one vessel.

### FULL YEAR

Average TCE earnings per on-hire day for 2024 of \$32,717/day is the second highest since KCC was established in 2018, being 1.1 x average standard spot earnings for MR<sup>4</sup> tankers in 2024. The historically strong TCE earnings were driven by high freight rates on both the fixed-rate and index-linked CSS contracts and high CSS cargo bookings. The 2024 TCE earnings ended approximately \$2,000/day lower than in 2023, mainly due to weaker earnings under the fixed-rate caustic soda contracts concluded during autumn of 2023 as well as lower operational efficiency during the second half of 2024 following uneven distribution of caustic soda cargoes.

Average operating expenses per day for the CABU vessels ended at \$8,631 in 2024, approximately \$900/day/11% higher than 2023, mainly due to inflation as well as intensified maintenance and higher more crew, mainly related to the oldest CABU vessels.

Three CABU vessels dry-docked in 2024 with a total of 130 off-hire days. One vessel installed several energy efficiency measures including a retrofit of shaft generator and an air lubrication system.



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<sup>2</sup> % of days in combination trades = see definition on [page 2](#)

<sup>3</sup> Ballast in % of on-hire days = Number of days in ballast / number of on-hire days. Ballast days when the vessel is off-hire are not included.

<sup>4</sup> Clarksons, MR (CABU) and LR1 (CLEANBU) tanker multiple calculated based on assumption of one-month advance cargo fixing/«lag»

## > THE CLEANBU BUSINESS

	Q4 2024	Q3 2024	Q4 2023	2024	2023
Average TCE \$/day <sup>1</sup>	28 027	38 673	37 537	38 151	35 214
OPEX \$/day <sup>1</sup>	10 985	10 110	9 034	10 083	9 458
On-hire days	631	697	721	2 648	2 872
Off-hire days, scheduled	105	38	10	278	37
Off-hire days, unscheduled	-	1	5	2	11
% of days in combination trades <sup>2</sup>	79%	84%	78%	70%	79%
Ballast days in % of total on-hire days <sup>3</sup>	20%	11%	14%	17%	17%

### FOURTH QUARTER

Following considerably weaker product tanker and dry bulk spot markets and less optimal trading, CLEANBU TCE earnings in Q4 2024 of \$28,027/day decreased by approximately \$10,600/day compared to Q3, but remained substantially stronger than the spot market for standard LR1<sup>4</sup> vessels, with a multiple of 1.4. TCE earnings were also impacted by negative IFRS 15<sup>5</sup> effects. The CLEANBU fleet had 79% combination trading and 20% ballasting in Q4 following unpaid waiting time and ballasting of two vessels after completion of dry-dock.

Compared to Q4 2023, TCE earnings were down approximately \$9,500/day, due to both weaker product tanker and dry bulk markets in addition to less optimal trading.

Average operating expenses for the CLEANBU vessels ended at \$10,985/day, up approximately \$900/day from the previous quarter and \$2,000/day compared to same quarter last year mainly due to an insurance deductible, fuel costs during off-hire and ship management fees related to 2024 dry-dockings invoiced in Q4.

The CLEANBU fleet had 105 scheduled off-hire days. This includes 55 days of delays mainly due to typhoons and lack of manpower at yard.

### FULL YEAR

The CLEANBU business succeeded to get the best out of the historically strong product tanker market in 2024 and delivered average TCE earnings of \$38,151/day for the year, an all-time high for the CLEANBU fleet. Even in one of the strongest product tanker markets ever, the CLEANBUs outperformed the average standard spot earnings for LR1<sup>5</sup> tanker vessels with a multiple of 1.1. TCE earnings for 2024 were up approximately \$2,900/day driven particularly by Q2 and Q3 in 2024 compared to the same quarters in 2023, mainly due to stronger underlying markets in these quarters compared to the same period last year and more optimal trading.

Average operating expenses for the CLEANBU vessels ended at \$10,083/day in 2024, approximately \$600/day/7% higher than 2023, mainly due to inflation, intensified maintenance and higher crewing costs.

Three CLEANBU vessels completed periodic dry-dock in 2024, with a total of 278 scheduled off-hire days. Two of the vessels experienced technical issues and bad weather during the dry-dock which increased number of off-hire days significantly. The fleet had 2 unscheduled off-hire days in 2024.

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<sup>2</sup> % of days in combination trades = see definition on [page 2](#)

<sup>3</sup> Ballast in % of on-hire days = Number of days in ballast / number of on-hire days. Ballast days when the vessel is off-hire are not included.

<sup>4</sup> Clarksons, MR (CABU) and LR1 (CLEANBU) tanker multiple calculated based on assumption of one-month advance cargo fixing/«lag»

<sup>5</sup> IFRS 15 recognizes revenue based on load-to-discharge and not based on discharge-to-discharge. No cash effect, but effect on timing of revenue recognition.

## > MARKET DEVELOPMENT

Average Market Rates with One Month Lag	Q4 2024	Q3 2024	Q4 2023	2024	2023
P5TC dry bulk earning \$/day	11 700	15 000	15 000	14 700	12 600
Average MR Clean tanker earnings \$/day	16 800	27 500	28 000	28 600	31 500
Average LR1 tanker earning \$/day	20 700	30 900	36 300	35 600	39 100
Fuel price USD/mt	590	610	670	620	620

The average Panamax **dry bulk** earnings decreased from ~\$15,000/day in Q3 2024 to an average of ~\$11,700/day in Q4 2024<sup>1</sup>. The negative development was primarily due to a weak front-haul market for both grains and coal. A lack of Chinese corn demand had a particularly negative effect on the Panamaxes. Very strong coal volumes in the Pacific basin were not enough to offset the negative effects of the weaker front haul market as the coal trade was mainly short-haul and highly efficient.

The **product tanker** market continued to weaken during the fourth quarter of 2024. Average MR tanker earnings ended at approximately \$16,800/day and LR1 tankers at approximately \$20,700/day in Q4 2024, compared to \$27,500/day and \$30,900 day for the two segments in Q3 2024<sup>2</sup>.

The usual strong winter market, which typically starts in the fourth quarter, failed to materialize as clean petroleum products (CPP) ton-mile demand fell by approximately 8% Q-o-Q. In particular, East-to-West volumes fell markedly<sup>3</sup>. This was likely due to contra-seasonal stock-builds in Europe during the second and third quarter on the back of an influx of large crude carriers cleaning up to carry CPP on the East/West route.

Brent **crude oil** prices increased from USD 72 per barrel at the end of September 2024 to USD 75 per barrel at the end of December 2024. Average fuel oil price (VLSFO) ended at USD 590/mt (one month lagged) in Q4 2024, a decrease of 3% Q-o-Q.



<sup>1</sup> Source: Baltic Dry as of January 2025 (All series lagged by one month to reflect advance cargo fixing)

<sup>2</sup> Source: Shipping Intelligence Network and Clarkson's Securities; Average LR1 tanker earnings are MEG-Cont and MED-Japan triangulation; All series lagged by one month to reflect advance cargo fixing)

<sup>3</sup> Source: Kpler

## > HEALTH, SAFETY AND ENVIRONMENT

Health, Safety and Environment	Q4 2024	Q3 2024	Q4 2023	2024	2023	TARGET
Lost Time Injury Frequency (LTIF) <sup>5</sup>	0.0	0.0	0.0	0.3	0.0	<0.5
High-risk potential accidents	0	0	0	0	2	0
# of spills of the environment	0	0	0	0	0	0

KCC had zero Lost Time Injury Frequency for Q4 2024, and 0.3 for 2024 in total, better than the target of below 0.5. The fleet experienced one injury with a crew member falling in the stairs and breaking a finger in 2024.

The fleet had no high-risk potential accidents and no spills to the environment in Q4 2024 and 2024 in total. The high-risk potential accidents KPI is tracked with the purpose of putting focus on and learning from the potential accident to improve safety.

Environmental KPIs	Q4 2024	Q3 2024	Benchmark Q4	2024	2023	TARGET 2026
CO2-emissions per ton transported cargo per nautical mile (EEOI) (grams CO2/(tons cargo x nautical miles)) <sup>2,6</sup>	6.6	6.1	9.3	6.6	6.5	5.3
Average CO2 emission per vessel year (metric tons CO2/vessel-year)	19 900	19 200	n.a	19 600	18 700	16 900
% of days in combination trades	85%	86%*	n.a	82%	85%	85%
Ballast days in % of total on-hire days	16%	11%	34%	14%	14%	10%

### FOURTH QUARTER

The carbon intensity of the fleet increased by 8% Q-o-Q as the CABU EEOI reached 7.0, the highest quarterly CABU EEOI since Q4 2022. This was driven by increased ballast sailing and higher speeds due to a hectic caustic soda shipment program towards the end of the year, as well as lower average lot sizes (measured in tonnes).

The CLEANBU fleet's EEOI also increased Q-o-Q from 6.0 up to 6.4, caused in particular by two long ballast legs. One vessel ballasted from dry-dock in southern China to load next cargo in Sikka on the west coast of India, and Bass which was still out on time charter ballasted from the US Atlantic coast to load in Sikka, India.

The most important factor driving "Average CO2 emission per vessel year" is how much time vessels spend sailing at sea, which increased Q-o-Q from 60% to 63%.

### FULL YEAR

The 2024 Environmental KPIs ended at a similar level to 2023. CLEANBU fleet EEOI increased by 0.3 Y-o-Y due to slightly higher average speeds and ageing hull coatings. CABU fleet EEOI decreased by 0.2 Y-o-Y due to significant investment in vessel energy efficiency. One example being the Ballard that was retrofitted with shaft generator and air lubrication system in Q3 2023, improving its EEOI from 6.2 in 2023 to 5.4 in 2024.

The full fleet achieved an EEOI of 6.6 in 2024, outside the 6.4 target. The Bass was out on time charter for the full year 2024 and trading solely as a product tanker, resulting in an EEOI higher than any other vessel. Overall EEOI for the other 15 vessels - those under direct KCC commercial control - stood at 6.4 for 2024.

Emissions per vessel year increased by 5% Y-o-Y because of an increase in the share of time spent sailing and an increase in the consumption rate when sailing, the latter due to ageing hull coatings particularly on the CLEANBU vessels.

<sup>1</sup> LTIF per 1 million working hour. Lost Time Injuries (LTIs) are the sum of fatalities, permanent total disabilities, permanent partial disabilities and lost workday cases (injuries leading to loss of productive work time). In line with OCIMF (Oil Companies International Marine Forum)

<sup>2</sup> EEOI (Energy Efficiency Operational Index) is defined by IMO and represents grams CO2 emitted per transported ton cargo per nautical mile for a period of time (both fuel consumption at sea and in port included).

<sup>3</sup> Average CO2 emissions per vessel = total CO2 emissions in metric tons/vessel years. Vessel years = days available - off-hire days at yard. When new vessels are delivered to the fleet, the vessel years are calculated from the date the vessel is delivered.

<sup>4</sup> % of days in combination trades = see definition on [page 2](#).

<sup>5</sup> Ballast in % of on-hire days = Number of days in ballast /number of on-hire days. Ballast days when the vessel is off-hire are not included.

<sup>6</sup> Benchmark: The EEOI and % ballast for "Benchmark standard vessels" are calculated based on standard vessels (Panamax/Kamsarmax dry bulk vessels, MR-tankers and LR1-tankers) making the same transportation work in the same trades as performed by KCC's CABU and CLEANBU vessels. The EEOI for "Benchmark standard vessels" is calculated as the weighted average of EEOI for the trades performed. There is a degree of uncertainty related to the benchmark values as these are estimated using data from Baltic Exchange and AXS Marine. From Q1 2024 onwards the calculation method for the EEOI has been revised by weighting it based on the transport work instead of the number of voyages in each trade. The change reduces the benchmark of around 0.5 gCO2/tNM in 2024 compared to the previous method.



## > OUTLOOK

The expected positive seasonality and less competition from crude tankers did not lift the product tanker market in the fourth quarter, rates actually continued to fall. However, 2025 has to date showed spark of optimism with product tanker spot rates improving on the back of additional sanctions imposed by the US. While average clean tanker earnings for the full year of 2025 are expected to soften compared to the record-strong earnings in 2024, market fundamentals continue to be relatively strong. Oil demand and production is expected to continue to grow supporting demand for seaborne transportation of oil products<sup>1</sup>. The main risks to the product tanker market balance are linked to increased fleet growth, a potential resolution to the Red Sea disruption and possible continued or deepening slowdown in China.

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

For the CABU segment, Q1 2025 TCE earnings are impacted by the muted MR product tanker market and a historically weak dry bulk market towards the end of 2024 and to date in 2025. Based on 83% of the CABU days currently fixed for Q1 and assuming forward freight pricing (FFA)<sup>3</sup> for open days, the CABU TCE earnings guidance for Q1 2025 is \$20,500-21,500/day. The expected number of CABU on-hire days in Q1 2025 is 690. Four CABU vessels will dock during 2025, the first vessel from late Q1.

CABU TCE earnings for the full year of 2025 will be supported by high caustic soda contract coverage for the year securing efficient trading in the combination trade to and from Australia which over time has delivered premium TCE earnings relative to the standard markets. Approximately 90%<sup>4</sup> of the CABU wet (caustic soda) capacity is fixed for 2025 of which approximately 30% of the volume is fixed rate, while the remaining 70% is index-linked. Average fixed-rate contract earnings for 2025 remain at historically high levels.

The CLEANBU TCE earnings for Q1 2025 are also impacted by the weak start of the year in both the LR1 product tanker and dry bulk markets. Based on current fixed days equal to 86% of fleet capacity and assuming FFA<sup>3</sup> pricing for the open days, TCE earnings guidance for the CLEANBU fleet is \$21,500-23,500/day for Q1. The expected number of CLEANBU on-hire days is 718 for Q1. Three CLEANBU vessels will go through their first special survey and docking during 2025, the first during Q2.

While the tanker contract coverage for the CLEANBU fleet for the last three quarters of 2025 is limited, an increasing share of the CLEANBU fleet is targeted to trade in the established main efficient combination trades which is expected to give support to CLEANBU full year TCE earnings and enable the CLEANBUs to continue to outperform the earnings of the standard product tanker and dry bulk markets.

The Board of Directors of

### Klaveness Combination Carriers ASA

Oslo, 13 February 2025

**Ernst A. Meyer**

**Chair of the Board**

**Gøran Andreassen**

**Board member**

**Magne Øvreås**

**Board member**

**Marianne Møgster**

**Board member**

**Brita Eilertsen**

**Board member**

**Engebret Dahm**

**CEO**

<sup>1</sup> EIA STEO January 2025

<sup>2</sup> Clarksons Research Oil and Tanker Trades Outlook January 2025

<sup>3</sup> Source: Klaveness and Baltic Exchange as of January 2025. KMAX dry bulk vessel = P5TC, MR tanker = TC7 TCE, LR1 tanker = TC5 TCE, VLSFO = VLSFO Singapore. Forward TC5/TC7 TCE based on TC5/TC7 FFA assessment and forward VLSFO price.

<sup>4</sup> Contract coverage includes one small fixed-rate caustic soda contract (2 cargoes) concluded with subjects not yet lifted.

# INCOME STATEMENT

USD '000	Notes	Unaudited		Unaudited	Audited
		Q4 2024	Q4 2023	2024	2023
Freight revenue	3	53 296	65 065	240 225	247 542
Charter hire revenue	3	5 270	11 664	38 034	39 624
<b>Total revenue, vessels</b>		<b>58 566</b>	<b>76 728</b>	<b>278 259</b>	<b>287 166</b>
Voyage expenses		(21 062)	(23 618)	(86 319)	(90 362)
<b>Net revenues from operation of vessels</b>		<b>37 504</b>	<b>53 110</b>	<b>191 940</b>	<b>196 805</b>
Other income	3	-	-	817	-
Operating expenses, vessels		(14 470)	(13 114)	(54 794)	(50 237)
Group commercial and administrative services	10	(1 199)	(1 825)	(5 248)	(5 403)
Salaries and social expenses		(1 037)	(1 135)	(4 190)	(4 086)
Tonnage tax		(40)	(74)	(166)	(198)
Other operating and administrative expenses		(566)	(426)	(1 843)	(1 933)
<b>Operating profit before depreciation (EBITDA)</b>		<b>20 192</b>	<b>36 536</b>	<b>126 516</b>	<b>134 947</b>
Depreciation	4	(7 805)	(7 455)	(30 444)	(31 842)
<b>Operating profit after depreciation (EBIT)</b>		<b>12 387</b>	<b>29 081</b>	<b>96 072</b>	<b>103 105</b>
Finance income	7	1 205	1 681	5 679	7 533
Finance costs	7	(4 977)	(4 872)	(20 341)	(23 739)
<b>Profit before tax (EBT)</b>		<b>8 615</b>	<b>25 892</b>	<b>81 410</b>	<b>86 899</b>
Income tax expenses		-	-	-	-
<b>Profit after tax</b>		<b>8 615</b>	<b>25 892</b>	<b>81 410</b>	<b>86 899</b>
Attributable to:					
Equity holders of the Parent Company		8 615	25 892	81 410	86 899
<b>Total</b>		<b>8 615</b>	<b>25 892</b>	<b>81 410</b>	<b>86 899</b>
<b>Earnings per Share (EPS):</b>					
Basic earnings per share		0.14	0.43	1.35	1.52
Diluted earnings per share		0.14	0.43	1.35	1.52

## STATEMENT OF COMPREHENSIVE INCOME

USD '000	Unaudited		Unaudited	Audited
	Q4 2024	Q4 2023	2024	2023
<b>Profit/ (loss) of the period</b>	<b>8 615</b>	<b>25 892</b>	<b>81 410</b>	<b>86 899</b>
<b>Other comprehensive income to be reclassified to profit or loss</b>				
Net movement fair value on cross-currency interest rate swaps (CCIRS)	(6 063)	(2 918)	(6 903)	(6 044)
Reclassification to profit and loss (CCIRS)	5 173	3 107	4 758	2 100
Net movement fair value on interest rate swaps	1 050	(2 429)	(1 564)	(2 245)
Net movement fair value bunker hedge	300	(306)	107	126
Net movement fair value FFA futures	-	71	-	247
<b>Net other comprehensive income to be reclassified to profit or loss</b>	<b>460</b>	<b>(2 475)</b>	<b>(3 601)</b>	<b>(5 816)</b>
<b>Total comprehensive income/(loss) for the period, net of tax</b>	<b>9 075</b>	<b>23 417</b>	<b>77 808</b>	<b>81 083</b>
Attributable to:				
Equity holders of the Parent Company	9 075	23 417	77 808	81 083
<b>Total</b>	<b>9 075</b>	<b>23 417</b>	<b>77 808</b>	<b>81 083</b>

# STATEMENT OF FINANCIAL POSITION

<b>ASSETS</b>			<b>Unaudited</b>	<b>Audited</b>
USD '000		<b>Notes</b>	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
<b>Non-current assets</b>				
Vessels	4		493 341	497 072
Newbuilding contracts	5		19 170	17 591
Long-term financial assets	6		4 382	6 325
Long-term receivables			157	107
<b>Total non-current assets</b>			<b>517 050</b>	<b>521 095</b>
<b>Current assets</b>				
Short-term financial assets	6		2 142	1 699
Inventories			12 665	12 123
Trade receivables and other current assets			23 514	24 942
Short-term receivables from related parties			706	110
Cash and cash equivalents	6		56 139	68 071
<b>Total current assets</b>			<b>95 166</b>	<b>106 947</b>
<b>TOTAL ASSETS</b>			<b>612 216</b>	<b>628 041</b>
<b>EQUITY AND LIABILITIES</b>				
USD '000		<b>Notes</b>	<b>Unaudited</b>	<b>Audited</b>
			<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
<b>Equity</b>				
Share capital			6 977	6 977
Share premium			202 949	202 852
Other reserves			5 955	10 722
Retained earnings	8		143 984	141 147
<b>Total equity</b>			<b>359 866</b>	<b>361 698</b>
<b>Non-current liabilities</b>				
Mortgage debt	6		128 559	154 835
Long-term financial liabilities	6		4 529	657
Long-term bond loan	6		70 625	66 897
<b>Total non-current liabilities</b>			<b>203 713</b>	<b>222 388</b>
<b>Current liabilities</b>				
Short-term mortgage debt	6		25 199	25 199
Short-term financial liabilities	6		555	328
Trade and other payables			22 155	17 052
Short-term debt to related parties			556	1 179
Tax liabilities			174	196
<b>Total current liabilities</b>			<b>48 638</b>	<b>43 954</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>612 216</b>	<b>628 041</b>

The Board of Directors of

**Klaveness Combination Carriers ASA**

Oslo, 13 February 2025

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**Ernst A. Meyer**

**Chair of the Board**

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**Gøran Andreassen**

**Board member**

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**Magne Øvreås**

**Board member**

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**Marianne Møgster**

**Board member**

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**Brita Eilertsen**

**Board member**

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**Engebret Dahm**

**CEO**

# STATEMENT OF CHANGES IN EQUITY

## Attribute to equity holders of the parent

### Unaudited

USD '000	Share capital	Other paid in capital	Treasury Shares	Hedging reserve	Cost of hedging reserve	Retained earnings	Total
<b>Equity 1 January 2024</b>	<b>6 977</b>	<b>202 852</b>	<b>(97)</b>	<b>11 533</b>	<b>(714)</b>	<b>141 147</b>	<b>361 698</b>
Profit (loss) for the period	-	-	-	-	-	81 410	81 410
Reclassification*	-	-	-	(714)	714	-	-
Other comprehensive income for the period	-	-	-	(3 601)	-	-	(3 601)
Share buyback program (note 8)	-	-	(1 231)	-	-	-	(1 231)
Employee share purchase (note 8,9)	-	97	66	-	-	12	175
Dividends	-	-	-	-	-	(78 584)	(78 584)
<b>Equity at 31 December 2024</b>	<b>6 977</b>	<b>202 949</b>	<b>(1 262)</b>	<b>7 217</b>	<b>-</b>	<b>143 984</b>	<b>359 866</b>

\*Cost of hedging reserve was recycled over P&L together with the underlying transaction in 2022, but the recycling was wrongly recorded against hedging reserve rather than cost of hedging reserve. The error is not considered material for restatement, and has therefore been corrected in 2024 with this reclassification, with zero effect on total equity.

### Audited

USD '000	Share capital	Other paid in capital	Treasury Shares	Hedging reserve	Cost of hedging reserve	Retained earnings	Total
<b>Equity 1 January 2023</b>	<b>6 235</b>	<b>153 732</b>	<b>(147)</b>	<b>17 352</b>	<b>(714)</b>	<b>121 087</b>	<b>297 545</b>
Profit (loss) for the period	-	-	-	-	-	86 899	86 899
Other comprehensive income for the period	-	-	-	(5 816)	-	-	(5 816)
Private placement May 2023 (note 8)	721	48 619	-	-	-	-	49 340
Warrants (note 8)	21	480	-	-	-	-	501
Employee share purchase (note 8)	-	21	50	-	-	-	71
Dividends	-	-	-	-	-	(66 836)	(66 836)
<b>Equity at 31 December 2023</b>	<b>6 977</b>	<b>202 852</b>	<b>(97)</b>	<b>11 533</b>	<b>(714)</b>	<b>141 147</b>	<b>361 698</b>

# STATEMENT OF CASH FLOWS

USD '000	Notes	Unaudited		Unaudited	Audited
		Q4 2024	Q4 2023	2024	2023
Profit before tax		8 615	25 892	81 410	86 899
Tonnage tax expensed		40	74	166	198
Depreciation	4	7 805	7 455	30 444	31 842
Amortization of upfront fees bank loans		297	297	1 184	1 784
Financial derivatives loss / gain (-)	6	167	(285)	450	18
Gain /loss on foreign exchange	7	220	(149)	(67)	169
Interest income	7	(1 492)	(1 247)	(5 602)	(7 246)
Interest expenses	7	4 248	4 573	18 657	21 481
Change in current assets		7 783	(2 371)	290	11 985
Change in current liabilities		4 288	(3 259)	4 086	(2 539)
Collateral paid/received on cleared derivatives	6	(181)	(322)	(245)	(186)
Interest received	7	1 199	1 247	5 310	4 594
<b>A: Net cash flow from operating activities</b>		<b>32 989</b>	<b>31 905</b>	<b>136 082</b>	<b>148 999</b>
Acquisition of tangible assets	4	(7 853)	(1 364)	(26 712)	(12 843)
Installments and other cost on newbuilding contracts	5	(451)	(111)	(1 578)	(17 591)
<b>B: Net cash flow from investment activities</b>		<b>(8 304)</b>	<b>(1 474)</b>	<b>(28 290)</b>	<b>(30 434)</b>
Share buyback program		(1 231)	-	(1 231)	-
Paid in registered capital increase	8	-	-	-	49 828
Transaction costs on capital increase		-	-	-	(1 093)
Proceeds from long term incentive plan	8	-	-	102	27
Paid in from exercise of warrants		-	-	-	501
Transaction costs on issuance of debt	6	-	-	(444)	(2 303)
Repayment of mortgage debt	6	(6 300)	(6 300)	(37 200)	(164 033)
Drawdown of mortgage debt	6	10 000	-	10 000	95 000
Repurchase bond incl premium (KCC04)	6	-	-	(18 259)	(55 478)
Gain/loss on realization of financial instruments	6	-	-	(4 199)	4 001
Proceeds from new bond issue (KCC05)	6	-	-	29 203	47 112
Interest paid	7	(4 237)	(5 139)	(19 112)	(21 905)
Dividends		(18 102)	(15 115)	(78 584)	(66 836)
<b>C: Net cash flow from financing activities</b>		<b>(19 870)</b>	<b>(26 554)</b>	<b>(119 724)</b>	<b>(115 179)</b>
<b>Net change in liquidity in the period</b>		<b>4 815</b>	<b>3 877</b>	<b>(11 932)</b>	<b>3 386</b>
Cash and cash equivalents at beginning of period		51 324	64 194	68 071	64 685
Cash and cash equivalents at end of period		56 139	68 071	56 139	68 071
<b>Net change in cash and cash equivalents in the period</b>		<b>4 815</b>	<b>3 877</b>	<b>(11 932)</b>	<b>3 386</b>
<b>Cash and cash equivalents</b>		<b>56 139</b>	<b>68 071</b>	<b>56 139</b>	<b>68 071</b>
Other interest bearing liabilities (overdraft facility)	6	-	-	-	-
<b>Cash and cash equivalents (as presented in cash flow statement)</b>		<b>56 139</b>	<b>68 071</b>	<b>56 139</b>	<b>68 071</b>

## NOTES

- 01** ACCOUNTING POLICIES

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- 02** SEGMENT REPORTING

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- 03** REVENUE AND OTHER INCOME

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- 04** VESSELS

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- 05** NEWBUILDINGS

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- 06** FINANCIAL ASSETS AND LIABILITIES

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- 07** FINANCIAL ITEMS

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- 08** SHARE CAPITAL, SHAREHOLDERS AND DIVIDENDS

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- 09** LONG-TERM INCENTIVE PLAN

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- 10** TRANSACTIONS WITH RELATED PARTIES

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- 11** EVENTS AFTER THE BALANCE SHEET DATE





## Note 1 - ACCOUNTING POLICIES

### Corporate information

Klaveness Combination Carriers ASA ("Parent Company"/"the Company"/"KCC") is a public limited liability company domiciled and incorporated in Norway. The share is listed on Oslo Stock Exchange with ticker KCC. The consolidated interim accounts include the Parent Company and its subsidiaries (referred to collectively as "the Group").

The objectives of the Group are to provide transportation for dry bulk, chemical and product tanker clients, as well as to develop new investment and acquire assets that fit the Group's existing business platform. The Group has eight CABU vessels (see note 4) with capacity to transport caustic soda solution (CSS), floating fertilizer (UAN) and molasses as well as all dry bulk commodities, and three CABU vessels under construction. Further, the Group has eight CLEANBU vessels. The CLEANBUs are both full-fledged LR1 product tankers and Kamsarmax dry bulk vessels.

On December 31 December 2024, six employees were transferred from Klaveness Ship Management AS (KSM) to KCC following the sale of KSM from Rederiaksjeselskapet Torvald Klaveness to OSM Thome. KCC has recognised accrued remuneration obligations for the six employees which were compensated by cash settlement from KSM at transaction date. The transfer of employees has no further material effects on the 2024 financial statements. The employees were prior to the sale mainly working for KCC and its subsidiaries based on a cost+ model (note 10).

### Accounting policies

The interim condensed financial statements of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed financial statements of the Group should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS Accounting Standards, as adopted by the European Union.

### Tax

The Group has subsidiaries in various tax jurisdictions, including ordinary and tonnage tax regimes in Norway and ordinary taxation in Singapore. Income from international shipping operations is tax exempt under the Norwegian tax regime, while financing costs are partly deductible. As such, the Group does not incur material tax expenses.

### New accounting standards

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements of the year ended 31 December 2023 except for the adoption of any new accounting standards or amendments with effective date after 1 January 2024. There was no material impact of new accounting standards or amendments adopted in the period.

## Note 2 - SEGMENT REPORTING

### Operating income and operating expenses per segment

USD '000	Q4 2024			Q4 2023		
	CABU	CLEANBU	Total	CABU	CLEANBU	Total
Total revenue, vessels	32 522	26 044	58 566	39 896	36 832	76 728
Voyage expenses	(12 691)	(8 371)	(21 062)	(13 836)	(9 782)	(23 618)
<b>Net revenues from operations of vessels</b>	<b>19 833</b>	<b>17 673</b>	<b>37 504</b>	<b>26 060</b>	<b>27 049</b>	<b>53 110</b>
Operating expenses, vessels	(6 385)	(8 085)	(14 470)	(6 465)	(6 649)	(13 114)
Group commercial and administrative services	(529)	(670)	(1 199)	(900)	(925)	(1 825)
Salaries and social expense	(458)	(580)	(1 037)	(560)	(576)	(1 135)
Tonnage tax	(18)	(22)	(40)	(29)	(45)	(74)
Other operating and administrative expenses	(250)	(316)	(566)	(210)	(216)	(426)
<b>Operating profit before depreciation (EBITDA)</b>	<b>12 193</b>	<b>8 000</b>	<b>20 192</b>	<b>17 897</b>	<b>18 638</b>	<b>36 536</b>
Depreciation	(3 360)	(4 445)	(7 805)	(3 424)	(4 031)	(7 455)
<b>Operating profit after depreciation (EBIT)</b>	<b>8 833</b>	<b>3 555</b>	<b>12 387</b>	<b>14 474</b>	<b>14 607</b>	<b>29 080</b>

### Reconciliation of average revenue per on-hire day (TCE earnings \$/day)

USD '000	Q4 2024			Q4 2023		
	CABU	CLEANBU	Total	CABU	CLEANBU	Total
<b>Net revenues from operations of vessels</b>	<b>19 833</b>	<b>17 673</b>	<b>37 504</b>	<b>26 060</b>	<b>27 049</b>	<b>53 110</b>
On-hire days	684	631	1 315	722	721	1 442
<b>Average TCE earnings (\$/day)</b>	<b>28 988</b>	<b>28 027</b>	<b>28 527</b>	<b>36 110</b>	<b>37 537</b>	<b>36 823</b>

### Reconciliation of opex \$/day

USD '000	Q4 2024			Q4 2023		
	CABU	CLEANBU	Total	CABU	CLEANBU	Total
<b>Operating expenses, vessels</b>	<b>6 385</b>	<b>8 085</b>	<b>14 470</b>	<b>6 465</b>	<b>6 649</b>	<b>13 114</b>
Operating days	736	736	1 472	736	736	1 472
<b>Opex \$/day</b>	<b>8 676</b>	<b>10 985</b>	<b>9 830</b>	<b>8 784</b>	<b>9 034</b>	<b>8 909</b>

## NOTE 2 - SEGMENT REPORTING CONT.

### Operating income and operating expenses per segment

USD '000	2024			2023		
	CABU	CLEANBU	Total	CABU	CLEANBU	Total
Total revenue, vessels	143 079	135 179	278 259	145 785	141 380	287 166
Voyage expenses	(52 153)	(34 165)	(86 320)	(50 120)	(40 242)	(90 362)
<b>Net revenues from operations of vessels</b>	<b>90 926</b>	<b>101 012</b>	<b>191 939</b>	<b>95 665</b>	<b>101 139</b>	<b>196 805</b>
Other income	277	540	817	-	-	-
Operating expenses, vessels	(25 272)	(29 522)	(54 794)	(22 618)	(27 618)	(50 237)
Group commercial and administrative services	(2 420)	(2 827)	(5 248)	(2 433)	(2 970)	(5 403)
Salaries and social expense	(1 933)	(2 258)	(4 190)	(1 840)	(2 246)	(4 086)
Tonnage tax	(85)	(81)	(166)	(100)	(98)	(198)
Other operating and administrative expenses	(850)	(993)	(1 843)	(870)	(1 063)	(1 933)
<b>Operating profit before depreciation (EBITDA)</b>	<b>60 643</b>	<b>65 870</b>	<b>126 515</b>	<b>67 804</b>	<b>67 142</b>	<b>134 947</b>
Depreciation	(13 667)	(16 776)	(30 444)	(13 476)	(18 366)	(31 842)
<b>Operating profit after depreciation (EBIT)</b>	<b>46 976</b>	<b>49 094</b>	<b>96 071</b>	<b>54 328</b>	<b>48 776</b>	<b>103 105</b>

### Reconciliation of average revenue per on-hire day (TCE earnings \$/day)

USD '000	2024			2023		
	CABU	CLEANBU	Total	CABU	CLEANBU	Total
<b>Net revenues from operations of vessels</b>	<b>90 926</b>	<b>101 012</b>	<b>191 939</b>	<b>95 665</b>	<b>101 139</b>	<b>196 805</b>
On-hire days	2 779	2 648	5 427	2 754	2 872	5 626
<b>Average TCE earnings (\$/day)</b>	<b>32 716</b>	<b>38 151</b>	<b>35 367</b>	<b>34 742</b>	<b>35 214</b>	<b>34 983</b>

### Reconciliation of opex \$/day

USD '000	2024			2023		
	CABU	CLEANBU	Total	CABU	CLEANBU	Total
<b>Operating expenses, vessels</b>	<b>25 272</b>	<b>29 522</b>	<b>54 794</b>	<b>22 618</b>	<b>27 618</b>	<b>50 237</b>
Operating days	2 928	2 928	5 856	2 920	2 920	5 840
<b>Opex \$/day</b>	<b>8 631</b>	<b>10 083</b>	<b>9 357</b>	<b>7 746</b>	<b>9 458</b>	<b>8 602</b>

## NOTE 3 - REVENUE AND OTHER INCOME

### Revenue types

USD '000	Classification	Q4 2024	Q4 2023	2024	2023
Revenue from COA contracts	Freight revenue	40 078	31 654	162 877	138 880
Revenue from spot voyages	Freight revenue	13 218	33 411	77 348	108 662
Revenue from TC contracts	Charter hire revenue	5 270	11 664	38 034	39 624
<b>Total revenue, vessels</b>		<b>58 566</b>	<b>76 728</b>	<b>278 259</b>	<b>287 166</b>

### Other income

USD '000	Classification	Q4 2024	Q4 2023	2024	2023
Other income	Other income	-	-	817	-
<b>Total other income</b>		<b>-</b>	<b>-</b>	<b>817</b>	<b>-</b>

Other income of USD 0.8 million in 2024 consists of compensation from loss of hire insurance.

## NOTE 4 - VESSELS

<b>Vessels</b>			
USD '000	31 Dec 2024	31 Dec 2023	
Cost price 1.1	755 564	742 721	
Dry-Docking	13 482	4 959	
Energy efficiency upgrade	11 420	7 566	
Technical upgrade	1 810	319	
<b>Costprice end of period</b>	<b>782 276</b>	<b>755 564</b>	
Acc. Depreciation 1.1	258 492	226 650	
Depreciation vessels	30 444	31 842	
<b>Acc. Depreciation end of period</b>	<b>288 935</b>	<b>258 492</b>	
<b>Carrying amounts end of period*</b>	<b>493 341</b>	<b>497 072</b>	
*) carrying value of vessels includes dry-docking			
No. of vessels	16	16	
Useful life (vessels)	25	25	
Useful life (dry-docking)	2-3	2-3	
Depreciation schedule	Straight-line	Straight-line	

### Reconciliation of depreciations

USD '000	Q4 2024	Q4 2023	2024	2023
Depreciation vessels	7 805	7 455	30 444	31 842
<b>Depreciations for the period</b>	<b>7 805</b>	<b>7 455</b>	<b>30 444</b>	<b>31 842</b>

### ADDITIONS

Six vessels were dry-docked in 2024. Total costs of USD 13.5 million were recognized in 2024 (Q4 2024: USD 5.4 million). Technical upgrades of USD 1.8 million (Q4 2024: USD 0.4 million) and energy efficiency upgrades of USD 11.4 million (Q4 2024: USD 2.1 million) are related to general improvement of the technical performance of the vessels and energy efficiency initiatives, the latter deducted by grants from ENOVA. KCC has secured in total approximately USD 1.4 million in grants from ENOVA to finance investments in energy saving solutions for one CABU vessel and one CLEANBU vessel. Both vessels have completed the installations and the full USD 1.4 million are recognized as of 31 December 2024.

### IMPAIRMENT

Identification of impairment indicators are based on an assessment of development in market rates (dry bulk, MR tanker, LR1 tanker and fuel), TCE earnings for the fleet, vessel opex, operating profit, technological development, change in regulations, interest rates and discount rate. Rises in interest rates in isolation, increase the discount rate used in the calculation of recoverable amount. As previous sensitivity analysis of recoverable amount shows that the decrease in recoverable amount is unlikely to result in a material impairment loss, as per IAS 36.16, this has not been considered an impairment indicator. Expected future TCE earnings for both CABUs and CLEANBUs, diversified market exposure, development in secondhand prices and the combination carriers' trading flexibility support the conclusion of no impairment indicators identified as per 31 December 2024.

## NOTE 5 - NEWBUILDINGS

(USD '000)	31 Dec 2024	31 Dec 2023
Cost 1.1	17 591	-
Yard installments paid	-	17 205
Other capitalized cost	1 578	386
<b>Net carrying amount</b>	<b>19 170</b>	<b>17 591</b>

The Group had per 31 December 2024 three CABU combination carrier newbuilds on order at Jiangsu New Yangzi Shipbuilding Co., Ltd in China. The contract price is USD 57.4 million per vessel and delivery cost will include costs for change orders, supervision and project management fee, upstoring costs and energy efficiency investments. The expected delivery of the vessels is Q1-Q3 2026.

Instalments of USD 17.2 million were paid as of 31 December 2024. The newbuilds are partly financed through equity raised in 2023 and cash on the balance sheet, and there was no debt related to the newbuilds as of year-end 2024.

## NOTE 6 - FINANCIAL ASSETS AND LIABILITIES

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

During the quarter the 364-days overdraft facility was extended by an additional 364 days. The commitment under the overdraft facility remains at USD 8 million.

USD '000

Mortgage debt	Description	Interest rate	Maturity	Carrying amount
DNB/SEB/SRB/SPV Facility**	Term Loan/RCF, USD 190 million	Term SOFR + 2.1 %	June 2028	85 555
Nordea/Credit Agricole Facility*	Term Loan/RCF, USD 60 million	Term SOFR + 2.25 %	March 2027	16 765
Nordea/Danske Facility**/**	Term Loan, USD 80 million	Term SOFR + CAS + 2.1 %	December 2026	53 881
Capitalized loan fees				(2 443)
<b>Mortgage debt 31 Dec 2024</b>				<b>153 758</b>

\* Potential margin adjustments up to +/- 10 bps once every year based on sustainability KPIs.

\*\* Potential margin adjustments up to +/- 5 bps once every year based on sustainability KPIs.

\*\*\* CAS= Credit Adjusted Spread. For three months Term SOFR, the CAS is approx 0.26%

The Group had available undrawn long-term revolving credit facilities of USD 115 million and available capacity under a 364-days overdraft facility of USD 8 million per year-end 2024.

USD '000

Bond loan	Face value	Maturity	Carrying Amount
	NOK'000		31 Dec 2024
KCC04	700 000	11.02.2025	76 390
Buyback KCC04 (Q3 2024)	(191 500)		(21 411)
Buyback KCC04 (Q3 2023)	(508 500)		(54 978)
<b>Sum KCC04</b>	-		-
KCC05	800 000	05.09.2028	75 088
Exchange rate adjustment			(4 529)
Capitalized expenses			(970)
Bond Premium			1 037
<b>Sum KCC05</b>	<b>800 000</b>		<b>70 625</b>
<b>Total bond loan</b>	<b>800 000</b>		<b>70 625</b>

As per 31 December 2024, USD 0.1 million of the Group's total cash balance was classified as restricted cash. The restricted cash consists of employee tax withholding.

The Group is subject to certain financial covenants and other undertakings in financing arrangements. As per 31 December 2024 the Group was in compliance with all financial covenants and is expected to remain compliant over the next 12 months, provided that the Group's operation continues in accordance with the current plan and course of business. For further details on covenants please see the 2023 Annual Report.

## NOTE 6 - FINANCIAL ASSETS AND LIABILITIES CONT.

USD '000	Fair value	Carrying amount	Carrying amount
	31 Dec 2024	31 Dec 2024	31 Dec 2023
<b>Interest bearing liabilities</b>			
Mortgage debt	131 003	131 003	158 201
Capitalized loan fees	-	(2 443)	(3 367)
Bond loan	73 058	70 559	67 777
Bond premium	-	1 037	-
Bond discount	-	-	(82)
Capitalized expenses bond loan	-	(970)	(797)
<b>Total non-current interest bearing liabilities</b>	<b>204 060</b>	<b>199 184</b>	<b>221 732</b>
Mortgage debt, current	25 199	25 199	25 199
<b>Total interest bearing liabilities</b>	<b>229 259</b>	<b>224 383</b>	<b>246 931</b>

USD '000	31 Dec 2024	31 Dec 2023
<b>Financial assets</b>		
<b>Financial instruments at fair value through OCI</b>		
Cross-currency interest rate swap	120	1 891
Interest rate swaps	6 404	5 762
Fuel Hedge	-	87
<b>Financial instruments at fair value through P&amp;L</b>		
Forward currency contracts	-	285
<b>Financial assets</b>	<b>6 524</b>	<b>8 025</b>
Current	2 142	1 699
Non-current	4 382	6 326

USD '000	31 Dec 2024	31 Dec 2023
<b>Financial liabilities</b>		
<b>Financial instruments at fair value through OCI</b>		
Cross-currency interest rate swap	4 920	985
<b>Financial instruments at fair value through P&amp;L</b>		
Forward currency contracts	164	-
<b>Financial liabilities</b>	<b>5 084</b>	<b>985</b>
Current	555	328
Non-current	4 529	657



## NOTE 7 - FINANCIAL ITEMS

USD '000

<b>Finance income</b>	<b>Q4 2024</b>	<b>Q4 2023</b>	<b>2024</b>	<b>2023</b>
Other interest income	1 199	1 247	5 310	4 594
Gain on currency contracts	5	285	10	285
Gain on terminated cross-currency swaps	-	-	-	2 652
Other financial income	1	-	292	1
Gain on foreign exchange	-	149	67	-
<b>Finance income</b>	<b>1 205</b>	<b>1 681</b>	<b>5 679</b>	<b>7 533</b>

USD '000

<b>Finance cost</b>	<b>Q4 2024</b>	<b>Q4 2023</b>	<b>2024</b>	<b>2023</b>
Interest expenses mortgage debt	2 320	3 181	10 515	13 590
Interest expenses bond loan	1 643	1 126	6 743	5 756
Amortization capitalized fees on loans	297	297	1 184	1 784
Other financial expenses	285	266	1 399	2 135
Loss on currency contracts	212	-	500	-
Fair value changes interest rate swaps	-	-	-	303
Loss on foreign exchange	220	-	-	169
<b>Finance cost</b>	<b>4 977</b>	<b>4 872</b>	<b>20 341</b>	<b>23 739</b>

Other financial expenses of USD 0.3 million in Q4 2024 consists of commitment fees.

In 2024, interest income from hedged swaps is reclassified from other interest income to interest expense mortgage debt and interest expenses bond loan. The reclassification has no net effect on the Profit and Loss.

## NOTE 8 - SHARE CAPITAL, SHAREHOLDERS AND DIVIDENDS

Dividends of USD 18.1 million were paid to the shareholders in November 2024 (USD 0.30 per share). A total of USD 78.6 million in dividends were paid to shareholders during 2024.

On 15 May 2024, employees in the Company purchased in total 20 295 shares in KCC through the Company's LTIP, where 10 000 shares were purchased by the CEO. The Company used Treasury shares to settle the transactions. In connection to these share purchases, the employees were awarded 60 525 share options in the Company of which 30 000 options were awarded to the CEO. As of 31 December 2024, the CEO, Engebret Dahm, holds 60 000 options in the Company (note 9).

On 13 December 2024, the Company initiated a share buyback program. The program covers purchases of up to 1,200,000 shares, equivalent to approximately 2% of the Company's current share capital, with a maximum consideration of USD 9.1 million. 250,000 of the shares repurchased will be used for the LTIP (note 9). The remaining 950,000 shares will be redeemed to reduce the share capital of the Company, subject to necessary resolutions by the General Meeting of the Company. As of 31 December 2024, 195,843 shares were repurchased for a total of USD 1.2 million. The share purchases are booked at acquisition cost as Treasury shares reducing the Company's share capital.

	Q4 2024	Q4 2023	2024	2023
<b>Weighted average number of ordinary shares for basic EPS</b>	<b>60 264 144</b>	<b>60 431 653</b>	<b>60 397 369</b>	<b>56 996 430</b>
Share options (note 9)	101 025	50 587	78 609	43 717
Warrants	-	-	-	155 255
<b>Weighted average number of ordinary shares for the effect of dilution</b>	<b>60 365 169</b>	<b>60 482 240</b>	<b>60 475 978</b>	<b>57 195 402</b>

## NOTE 9 - LONG-TERM INCENTIVE PLAN

The Board proposed a Long-Term Incentive Plan (LTIP) that was approved by the General Meeting in April 2023. Details on options granted and fair value calculation are described in Annual report 2023, note 17, published on the Company's homepage ([www.combinationcarriers.com](http://www.combinationcarriers.com)) under "Investor Relations/Reports and Presentations."

On 21 May 2024, employees of the Company purchased in total 20 295 shares in KCC as part of the Company's long term incentive program (of which the CEO, Engebret Dahm, purchased 10 000 of the total shares). The shares were acquired at a price of NOK 85.70 per share. The Q4 effect of the equity settled share-based payment is an increase in equity of USD 0.2 million.

In connection with the share purchases in May 2024, and in accordance with the terms of the LTIP, employees were awarded 60 525 share options in KCC (of which the CEO, Engebret Dahm, was awarded 30 000 share options) at a strike price of NOK 107.10, adjusted for any distribution of dividends made before the relevant options are exercised. The share purchases are partly financed through loans. As of Q4 2024, the CEO, Engebret Dahm, has loans of USD 0.1 million in relation to the share purchase part of the LTIP (Annual Report 2023, note 7).

The fair value of the share options granted on 21 May 2024 was calculated based on the Black-Scholes Merton method. The key assumptions used to estimate the fair value of the share options are set out below:

	Model inputs
Dividend yield (%)	14%
Expected volatility (%)*	28%
Risk-free interest rate (%)**	6.80%
Expected life of share options (year)	5
Weighted average share price (NOK)	105

\*The expected volatility reflects the assumption that the historical shipping industry average is indicative of future trends, which may not necessarily be the actual outcome.

\*\*Average five-year Norwegian Government bond risk-free yield-to-maturity rate of 6.8% as of May 2024 as an estimate for the risk-free rate to match the expected five-year term of the share options.

The following table summarizes the option activity as per 31 December 2024:

	Average exercise price	2024	2023
<b>Opening balance beginning of period</b>		<b>40 500</b>	<b>65 280</b>
Granted during the year	NOK 69.5	60 525	40 500
Exercised during the year		-	(65 280)
Forfeited during the year		-	-
Expired during the year		-	-
<b>Closing balance end of period</b>		<b>101 025</b>	<b>40 500</b>

The fair value of the share options granted is calculated to USD 119k, i.e. USD 1.91 per share option. The cost recognized in 2024 is USD 12k.

## NOTE 10 - TRANSACTIONS WITH RELATED PARTIES

USD '000

Type of services/transactions	Provider <sup>1</sup>	Price method	Q4 2024	Q4 2023	2024	2023
Business adm. services	KAS	Cost + 5%	485	483	2 230	1 944
Business adm. services	KA Ltd	Cost + 5%	15	25	67	139
Business adm. services	KD	Priced as other Cargo value services	3	5	12	5
Commercial services	KAD*	Cost + 7.5%	187	163	631	381
Commercial services	KDB	Cost + 7.5%	75	70	227	293
**Commercial services	KSM	Cost + 7.5%	165	327	815	990
Board member fee	KD	Fixed fee as per annual general meeting	-	(6)	(12)	(24)
**Project management	KSM	Cost + 7.5%	270	757	1 277	1 674
<b>Total group commercial and administrative services</b>			<b>1 199</b>	<b>1 825</b>	<b>5 248</b>	<b>5 403</b>

Some bunker purchases are done through AS Klaveness Chartering which holds the bunker contracts with suppliers in some regions. No profit margin is added to the transactions, but a service fee is charged based on time spent (cost +7.5%) by the bunkering team in KDB and charged as part of the commercial services from KDB.

\*Two employees were transferred from Singapore to Dubai from 1 August 2023. KCC does not have a set-up in Dubai and the employees were hence transferred from a KCC company to a related company in the Torvald Klaveness Group and are hired back by a KCC company at cost + 7.5%. The amount includes salary and employee bonus.

\*\*On December 31 December 2024, six employees were transferred from KSM to KCC. Costs related to project management and commercial services will therefore be part of salaries in Income Statement from 1 January 2025.

USD '000

Type of services/transactions	Provider <sup>1</sup>	Price method	Q4 2024	Q4 2023	2024	2023
Technical mngmnt fee (opex)	KSM	Fixed fee per vessel	1 320	1 109	4 477	4 117
Crewing and IT fee (opex)	KSM	Fixed fee per vessel	434	368	1 727	1 496
Board member fee (administrative expenses)	KAS	Fixed fee as per annual general meeting	19	20	77	80
<b>Total other services/ transactions</b>			<b>1 773</b>	<b>1 497</b>	<b>6 281</b>	<b>5 693</b>

Following the sale of KSM from Rederiaksjeselskapet Torvald Klaveness to OSM Thome on 31 December 2024, technical management fees and crewing and IT fees will not be related party transactions in 2025 and beyond.

<sup>1</sup> Klaveness AS (KAS), Klaveness Ship Management AS (KSM), Klaveness Asia Pte.Ltd (KA Ltd), Klaveness Dry Bulk AS (KDB), AS Klaveness Chartering (KC), Klaveness Asia Pte. Ltd - Dubai Branch (KAD), Klaveness Digital AS (KAD)

## NOTE 11 - EVENTS AFTER THE BALANCE SHEET DATE

On 21 January 2025, the steel cutting for Hull #1561 was made and USD 5.7 million was paid by cash on the balance sheet to the yard in relation to this milestone.

The Company has in 2025 purchased 1,004,157 shares under the share buyback program announced 13 December 2024 for in total USD 6.7 million. The total number of shares under the program (1.2 million, approximately 2% of the share capital) has been purchased in 2024 and 2025, with the final transaction under the program made on 10 February 2025.

On 13 February 2025, the Company's Board of Directors declared to pay a cash dividend to the Company's shareholders of USD 0.10 per share for the fourth quarter 2024, in total approximately USD 6.0 million.

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