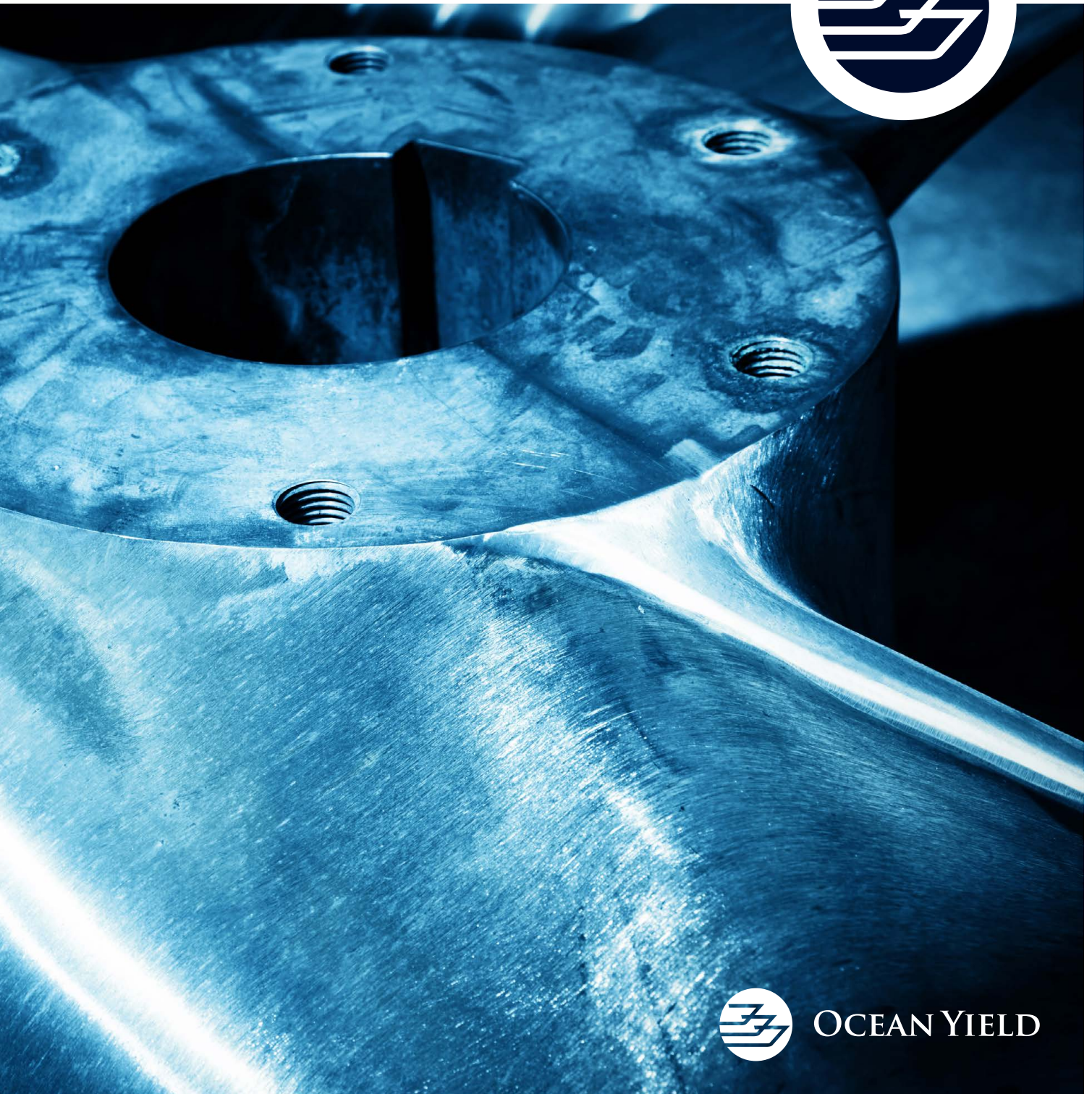


# ANNUAL REPORT

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OCEAN YIELD



For Ocean Yield, the business model of owning vessels on long-term charters to leading international shipping companies has continued to prove robust.



# CONTENT

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<b>OCEAN YIELD IN BRIEF</b>	<b>4</b>
<b>MANAGEMENT</b>	<b>6</b>
<b>CONSOLIDATED FINANCIAL STATEMENTS AND NOTES</b>	<b>20</b>
<b>PARENT COMPANY FINANCIAL STATEMENTS AND NOTES</b>	<b>66</b>
<b>RESPONSIBILITY STATEMENT</b>	<b>80</b>
<b>AUDITOR'S REPORT</b>	<b>82</b>
<b>ALTERNATIVE PERFORMANCE MEASURES</b>	<b>86</b>
<b>FOURTH QUARTER RESULTS 2023</b>	<b>88</b>

# OCEAN YIELD IN BRIEF

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**Ocean Yield is a vessel owning company with focus on investments in modern vessels on long-term charters. As of year-end 2023, Ocean Yield had an EBITDA backlog of USD 4.2 billion with an average remaining tenor of 10.2 years.**

**Ocean Yield** (“Ocean Yield” or the “Company”) is a ship owning company with investments in vessels on long-term charters. The Company focuses on modern vessels and currently has investments in car carriers, chemical tankers, container vessels, crude tankers, dry bulk vessels, gas carriers, oil-service vessels and product tankers. Ocean Yield’s diversified portfolio counted 68 vessels as of year-end 2023, with long-term charters to 19 international counterparties.

The Company’s business strategy is to enter into long-term charters, which gives visibility with respect to future earn-

ings of the Company. The main focus has primarily been on bareboat charters with a duration from ten to fifteen years, but the Company may also enter into time-charter contracts with shorter duration. The Company’s ambition is to continue to grow and further diversify the portfolio of vessels on long-term charters.

Ocean Yield is owned by an infrastructure fund advised by Kohlberg Kravis Roberts & Co. L.P. (“KKR”) which acquired the Company in December 2021, following almost 9 years as a publicly listed company.

Amounts in USD million	2023	2022
Total revenues and other income	237.0	197.3
EBITDA	223.9	187.0
EBITDA adjusted for lease effects	341.0	301.9
Net profit for the period	92.5	91.2
Cash and cash equivalents	115.8	121.9
Total assets	2,311.7	2,328.5
Interest-bearing debt	1,600.8	1,555.7
Net Interest-bearing debt	1,485.0	1,433.8
Total equity	651.8	706.4
Equity ratio	28.2 %	30.3 %



# MANAGEMENT



## ANDREAS RØDE

CEO

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Mr. Røde (born 1979) took on the role as CEO in February 2022. Before that, he served as Head of Business Development and M&A since September 2017. Before joining Ocean Yield, Mr. Røde worked in the Corporate Finance department of Danske Bank as Managing Director, Head of Shipping and Offshore. Mr. Røde has more than 13 years of Investment Banking experience from leading financial institutions. Mr. Røde holds a Master of Arts (MA) in Accounting and Finance from University of Edinburgh and University of California Berkeley.



## EIRIK EIDE

CFO

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Mr. Eide (born 1970) has served as CFO of Ocean Yield since 2012. Before joining Ocean Yield, Mr. Eide served as CFO of Ship Finance International Ltd. Mr. Eide has been working with shipping and finance for more than 25 years. Mr. Eide holds a Master of Business and Economics degree from the Norwegian Business School.



# OTHER KEY PERSONNEL



## ANDREAS REKLEV

COO

Mr. Reklev (born 1983) has served as Chief Operating Officer since February 2022 and prior to that he served as Executive Vice President, Investments from August 2016. Before joining Ocean Yield, Mr. Reklev was Chief Financial Officer in Team Tanker International. Prior to joining Team Tankers in 2012, Mr. Reklev held various positions in Camillo Eitzen & Co ASA, a diversified shipping company with activities mainly in bulk, gas, and chemical shipping. Mr. Reklev has a Bachelor of Science in Finance from Norwegian Business School.



## ERIK HILLER HOLOM

Head of Business Development

Mr. Holom (born 1989) has served as Head of Business Development since February 2022 and prior to that he served as Vice President, Investments from 2017. Before joining Ocean Yield, Mr. Holom worked in the Corporate Finance department at Danske Bank, focusing on the shipping and offshore industries. Prior to joining Danske Bank in 2014, he worked as an Investment Banking Analyst for SEB. Mr. Holom holds an M.Sc. in Industrial Economics and Technology Management from the Norwegian University of Science and Technology (NTNU).



## MARTIN SOLBERG

Chief Accounting Officer

Mr. Solberg (born 1976) joined Ocean Yield in 2022. Before joining Ocean Yield AS, Mr. Solberg served as Finance Director of Fredensborg AS and Heimstaden AB. Prior to that Mr. Solberg served as CAO of Golden Ocean Group Limited. His experience also includes the positions of SVP Finance and Accounting at Team Tankers International and of Senior Manager at PwC. Mr. Solberg holds a Master of Business & Administration (MBA) from Norwegian School of Economics.



## ØIVIND HARALDSEN

Managing Director - Ocean Yield Malta Ltd.

Before joining Ocean Yield Malta, Mr. Haraldsen (born 1960) worked for 16 years in Danske Bank AS and served as Global Head of Shipping for the majority of these years after being instrumental in establishing the shipping department there in 2005. Prior to joining Danske Bank, Mr. Haraldsen worked 15 years for Nordea Bank where he held several positions in the shipping and offshore group, including as Head of Shipping in the London office from 1996 until 2002. Mr. Haraldsen holds a Master of Business & Administration (MBA) from the University of Oregon, USA.



# BOARD OF DIRECTORS



## VINCENT POLICARD

### Chairperson

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Vincent Policard joined KKR in 2012 and is a Partner and Co-Head of European Infrastructure. At KKR, he has been actively involved in a number of infrastructure investments and is a member of the Infrastructure Investment Committee and the Infrastructure Portfolio Management Committee. Mr. Policard is currently on the board of directors of Q Park, Ivory, Hyperoptic, X-Elio, Telxius, and Open Dutch Fiber. Prior to joining KKR, Mr. Policard spent over a decade at Morgan Stanley, most recently as an executive director on Morgan Stanley's infrastructure fund team. Mr. Policard holds an M.B.A. from HEC Paris, a Master's in Political Science from Sciences Po Paris and a Master's of Law from Assas University (Paris).



## BERNARDO NOGUEIRA

### Vice Chairperson

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Bernardo Nogueira joined KKR in 2017 and is a Principal on the European Infrastructure team. Prior to joining the Firm, Mr. Nogueira was with Goldman Sachs' investment banking division in Madrid and London focusing on mergers, acquisitions and financing transactions mainly in the power, energy and utilities space. Mr. Nogueira holds a Master's in Finance from Nova School of Business and Economics and a Master's in International Management from CEMS - The Global Alliance in Management Education.



## REBECCA LUND NAKKIM

### Board Member

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Rebecca Lund Nakkim is a lawyer with the law firm BAHR, with focus on shipping and finance.

Ms. Nakkim has a Master of Laws degree from the University of Oslo and has also studied International Commercial Law at the University of Westminster in London. Ms. Nakkim started her career as an associate with the law firm Schjødt in 2017 and is now Managing Associate with the law firm BAHR.



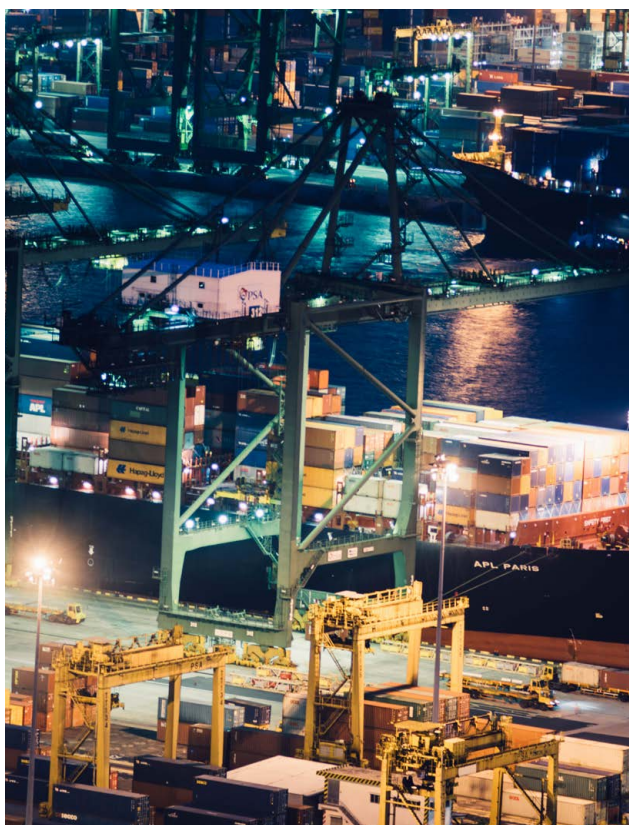


# BOARD OF DIRECTORS REPORT

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2023 was another active year for Ocean Yield, where the Company grew its EBITDA charter backlog to a total of USD 4.2 billion as of year-end with a fleet of 68 vessels, including newbuildings. The company has committed significant amounts to investments in new vessels with dual-fuel propulsion technology and signed its first sustainability-linked lease during the year. Ocean Yield continues to play an active role as facilitator for the decarbonisation of the maritime industry together with its selected partners.



**For Ocean Yield,** the business model of owning vessels on long-term charters to leading international shipping companies has continued to prove robust and resilient during the year. 2023 showed continued strong shipping markets in most segments, with strong rates within gas, product and car carriers, while the container market fell from very high levels seen earlier in the year. For Ocean Yield, several counterparties used strong balance sheets to exercise purchase options in the bareboat charter contracts, which resulted in a number of vessel sales during the year.

Overall, counterparty risk was reduced and there were no defaults in the portfolio.

During the year, Ocean Yield continued to grow and further diversify the fleet by investing in modern vessels and newbuildings within the conventional shipping segments with long-term charters. In total, the Company committed in excess of USD 400 million in new projects during the year. This includes four LR1 product tanker newbuildings and three suezmax second-hand vessels. Further, the Company sold eight vessels during the year through exercise of purchase or sales options in the charter agreements by the counterparties. This included four product tankers, one dry bulk vessel, one chemical tanker and two car carriers. In addition, options have been declared for another four vessels that will be delivered during 2024. This includes one car carrier, two suezmax tankers and one chemical tanker.

Ocean Yield has a flexible dividend policy. Quarterly dividends are considered in combination with potential investments and the overall capital structure in the Company. In 2023, the Company paid a total of USD 30.0 million in dividends.

#### THE GROUP'S OPERATIONS AND FLEET

Ocean Yield invests in vessels on long-term charters across multiple segments. The fleet as of year-end counted 68 vessels including newbuildings. This consists of 18 crude tankers, 10 product/chemical tankers (of which one is owned 50%), 14 dry bulk vessels, 14 container vessels (of which seven are owned 49.9%), five oil service vessels, two car carriers and five gas carriers. As of year-end 2023, all vessels were chartered out on long-term contracts. The EBITDA charter backlog at the end of Q4 2023 was USD 4.2 billion with an average remaining contract duration of 10.2 years. This includes Ocean Yield's pro-rata interest in vessels owned in joint ventures, adjustments made for lease accounting effects, in addition to purchase obligations and declared options.

Ocean Yield's head office is in Bærum, Norway.

## REVIEW OF 2023

### NEW INVESTMENTS AND PORTFOLIO CHANGES

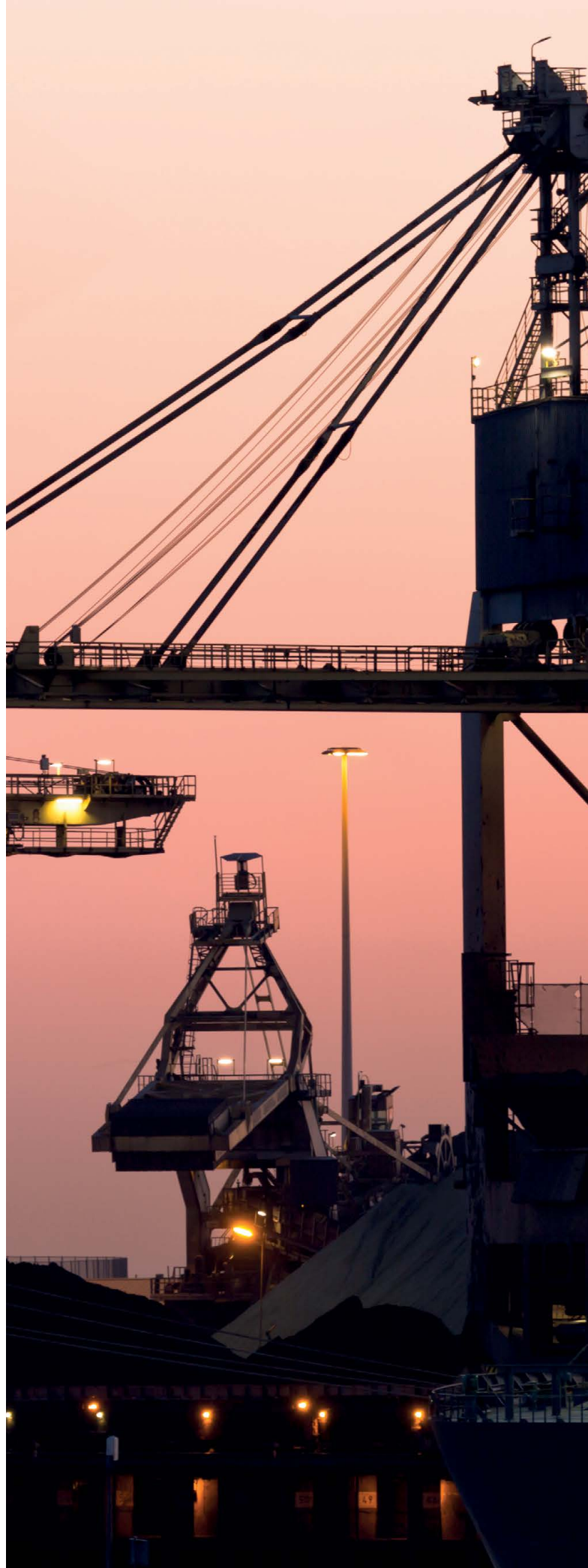
During 2023, the Company took delivery of and committed to acquire the following vessels with long-term charters:

- During the second half of 2023, the Company took delivery of two 5,500 TEU newbuilding container vessels under construction at HJ Shipbuilding, Korea, while the third vessel will be delivered to the Company in the first half of 2024. All three vessels have dual-fuel design, enabling them to be converted to operate with methanol as fuel. The vessels are all fixed on 7-year time-charter contracts to ZIM Integrated Shipping Services Ltd.
- In the third quarter, the Company acquired four LR1 product tanker newbuildings to be constructed at Guangzhou Shipyard International in China. The vessels will be built with a design enabling them to be converted to dual-fuel operation with methanol as fuel. Upon delivery (in 2026 and 2027), the vessels will commence 15-year bareboat charters to guaranteed subsidiaries of Braskem S.A., a leading global petrochemical company listed on the New York Stock Exchange.
- In the fourth quarter, the Company acquired and took delivery of one 2016-built Suezmax tanker. The vessel commenced an eight-year bareboat charter to Nordic American Tankers Limited upon delivery.
- Also in the fourth quarter, the Company agreed to acquire two 2022-built Suezmax tankers. Both vessels were built at Daehan Shipbuilding in Korea. Upon delivery, the vessels commenced 14-year bareboat charters to guaranteed subsidiaries of Euronav NV, a leading crude oil tanker company, listed on the New York Stock Exchange and Euronext Brussels. The vessels were delivered in December 2023 and January 2024, respectively.

### VESSEL SALES

Ocean Yield's charter agreements may contain purchase options for the charterer, whereby the charterer can purchase the vessel at certain times. During 2023, eight vessels were sold, and options for another four vessels were declared. These four vessels will be delivered during 2024. Vessel sales and declared options during 2023, included the following:

- During 2023, Navig8 Ltd. ("Navig8") exercised options in the charter agreements for the LR2 tankers Navig8 Precision and Navig8 Prestige JKB. Delivery of the Navig8 Precision took place in Q3 2023 and the Navig8 Prestige JKB was delivered in January 2024. Ocean Yield owned a 50% share in these two vessels and recorded a small book profit from the sales.
- During 2022, purchase- or sales options were exercised for the product/chemical tankers STI Sanctity, STI Steadfast, STI Supreme and the Hafnia Turquoise. The vessels were delivered to their new owners between the first and third quarters of 2023.





- In the fourth quarter of 2023, the Interlink Amenity was delivered to its new owner following the exercise of a purchase option. Further, purchase options were declared for the Suezmax tankers Milos and Poliegos with delivery during the first half of 2024.
- Following the exercise of purchase options for the Höegh Tracer and the Höegh Trapper during 2022, the vessels were delivered to Höegh Autoliners ASA ("Höegh Autoliners") in the first and second quarter of 2023, respectively.
- Höegh Autoliners exercised a purchase option for the PCTC vessel Höegh Jacksonville. The vessel is expected to be delivered to Höegh Autoliners during the second quarter of 2024.

## **DIVIDENDS**

- During 2023 Ocean Yield paid a total of USD 30.0 million in dividends to its shareholders (USD 80.0 million in 2022). The Annual General meeting in 2023 has authorised the Board of Directors of Ocean Yield to resolve and declare dividends for the financial quarters up until the next Ordinary General Meeting in 2024. The General Meeting in 2024 will vote on a new authorization to the Board, for payment of quarterly dividends up until the next General Meeting in 2025.
- For Q4 2023, the Board of Directors did not declare a dividend.

## **FINANCING**

### *SECURED VESSEL FINANCING*

During 2023, the Company entered into several new financing agreements for the long-term financing of its vessels as well as refinancing of several existing loan facilities.

The following new and amended debt facilities were entered into during 2023:

- Loan agreements for two newbuilding container vessels with long-term charters to ZIM Integrated Shipping Services Ltd.
- Refinanced the loan facility for three Handysize dry bulk carriers on long-term charters. The loan outstanding on the vessels was also upsized by USD 5.0 million, and the maturity date extended to match the end of the charter period.
- Refinanced the loan facility for the product tanker STI Symphony which included an upsizing of USD 8.0 million. The loan facility has a tenor of 3 years.
- A new loan agreement was entered into for the financing of the newbuilding contracts for two ethylene gas carriers with 15-year bareboat charters to Braskem S.A.



2023 was an active year for Ocean Yield, both within transactions and financings.

- Refinanced two chemical tankers at improved terms and the facility was upsized with USD 13.0 million. The loan facility has a tenor of 3 years.
- Two loan agreements related to six tankers were upsized with a positive liquidity effect of USD 46.0 million.
- A new loan agreement was entered into the refinancing of the two AHTS vessels that commenced bareboat charters to Viking Supply Ships AB in November 2023.
- Two new loan agreements for the long-term financing of six Newcastlemax newbuildings with long-term charters to CMB N.V.
- A loan agreement for the long-term financing of one Suezmax tanker with long-term charter to Nordic American Tankers was signed in November 2023.
- Two loan agreements for the long-term financing of two Suezmax tankers with long-term charter to Euronav were signed in November and December 2023.
- In conjunction with the new bond issues and other subsequent transactions, the Company has bought back significant amounts in the bond issues OCY06 and OCY07 and as of December 31 2023, held USD 94.8 million in OCY06, where the total nominal outstanding amount is USD 125 million and NOK 460.5 million in OCY07 where the total nominal outstanding amount is NOK 750 million.
- During 2023, Ocean Yield did not issue any new shares.

#### EVENTS AFTER YEAR-END

- After year-end, the Company took delivery of the 2022-built Suezmax tanker Cedar. At the delivery the vessel commenced a long-term sustainability-linked bareboat charter to guaranteed subsidiaries of Euronav NV.
- After year-end, purchase options were declared for the Newcastlemax vessels Mineral Qingdao, Bulk Seoul and Bulk Shanghai, and the PCTC Höegh Jeddah. Navig8 Prestige JKB, Milos and Mineral Qingdao were delivered to their new owners.
- No further purchase- or sales options have been declared up to the date of this report.
- Also after year-end, the Company has signed two loan agreements for the long-term financing of two Newcastlemax newbuildings with long-term charters to CMB N.V.

#### CORPORATE FUNDING

- In February 2023, Ocean Yield issued a call notice and settled the NOK 750 million senior unsecured bond loan OCY05 that had final maturity in May 2023.
- In March 2023, Ocean Yield completed a new senior unsecured bond issue of NOK 750 million (OCY08), carrying a coupon of 3 months NIBOR + 3.95% p.a. with quarterly interest payments.
- In September 2023, Ocean Yield issued a new NOK 750 million senior unsecured bond loan (OCY09) with a five year tenor. The bond loan carries a coupon of 3 months NIBOR + 3.75% p.a., payable quarterly.

#### BUSINESS SEGMENTS

Ocean Yield defines operating segments based on the Group's internal management- and reporting structure. Ocean Yield's operating segments as of year-end 2023 are defined as follows:



- Tankers
- Container vessels
- Car Carriers
- Gas Carriers
- Dry Bulk vessels
- Oil-service

Please refer to Note 5 for more details on the business segments.

## 2023 FINANCIAL REVIEW

Total revenues and other income were USD 237.0 million in 2023 compared with USD 197.3 million in 2022. The main driver for the increase in revenue was higher interest rates, which affects those leases that are based on floating interest rates. This was partially reduced by the change in the Company's fleet whereby seven vessels were sold during 2023 and four vessels delivered to the Company.

Vessel operating expenses were USD 0.6 million in 2023 compared with USD 0.0 million in 2022, following the deliveries of two newbuilding container vessels on time-charter to ZIM Integrated Shipping Services Ltd.

Operating profit was USD 199.2 million in 2023 compared with USD 159.2 million in 2022.

Net financial items were negative USD 106.2 million in 2023, compared with negative USD 65.6 million in 2022. The increase in 2023 compared to 2022 was mainly related to an increase in interest expenses following higher interest rates and an increase in the Company's debt position in conjunction with investments made during 2023. In addition, the figures for 2023 included foreign exchange losses and change in fair value of financial instruments of negative USD 3.3 million, which was lower than the comparable figure for 2022 of

positive USD 3.0 million. Interest income during 2023 was USD 13.4 million, representing an increase of USD 9.7 million compared with 2022.

Net profit for the year 2023 was USD 92.5 million compared with a net profit of USD 91.2 million in 2022.

## FINANCIAL POSITION AS OF DECEMBER 31<sup>ST</sup> 2023

The Ocean Yield Group had total assets as of 31<sup>st</sup> December 2023 of USD 2,311.7 million, compared to USD 2,328.5 million for 2022. Total equity was USD 651.8 million at the end of 2023 compared with USD 706.4 million at the end of 2022.

Changes in equity include other comprehensive loss of USD 8.8 million, dividends of USD 30.0 million, dividends on hybrid capital of USD 8.6 million and repurchases of the hybrid capital of USD 94.8 million in nominal value. The book equity ratio was 28.2% at the end of 2023, compared with 30.3% at the end of 2022.

Cash and cash equivalents at year-end 2023 were USD 115.8 million. Total interest-bearing debt was USD 1,600.8 million as of year end 2023, compared with USD 1,555.6 million as of year -end 2022. Net interest-bearing debt was USD 1,485.0 million, compared to USD 1,433.7 million in 2022.

## CASH FLOW

Net cash flow from operating activities was USD 235.8 million in 2023, compared to USD 246.3 million for 2022. The difference between the EBITDA of USD 223.9 million and Net cash flow from operating activities of USD 235.8 million was as follows:

Amounts in USD million	2023	2022
<b>EBITDA</b>	<b>223.9</b>	<b>187.0</b>
Repayment on finance lease receivable	119.6	114.9
Adjustment for straightlining operating lease revenue	4.4	-
Income from investment in associates	-22.0	-18.0
Dividend received from investments in associates	14.4	21.8
Realised foreign exchange loss	-1.4	-0.3
Other financial expenses	-2.8	-1.2
Net interest paid	-93.7	-56.2
Taxes paid	-0.9	-0.4
Net change in working capital	-5.7	-1.2
<b>Cash flow from operating activities</b>	<b>235.8</b>	<b>246.3</b>

Net cash flow from investments was negative USD 117.2 million in 2023. The figures for 2023 include proceeds of USD 106.4 million from the sale of two car carriers and 123.6 million from the sale of five finance leased vessels. The Company invested USD 95.5 million in two Suezmax tankers delivered during 2023, paid USD 5.8 million in capital expenditures and made USD 208.4 million in payments related to three container vessels, two gas carriers and four LR1 product tankers under construction. In addition, USD 52.2 million, net, was paid as pre-delivery instalments relating to nine newcastlemax dry bulk newbuildings. USD 13.0 million and USD 1.6 million were received from restricted cash deposits and from a capital reduction in associates, respectively.

This compares to USD 112.6 million in proceeds from the sale of nine vessels in 2022. In 2022, the Company invested USD 101.5 million in two Suezmax tankers, paid USD 1.1 million in capital expenditures, made USD 56.2 million in payments related to three container vessels and two gas carriers under construction and provided USD 79.9 million in pre-delivery instalments relating to nine newcastlemax dry bulk newbuildings. In 2022, USD 7.5 million was paid and USD 30.8 million were received from restricted cash deposits and from a capital reduction in associates, respectively.

Net cash flow from financing was negative USD 93.5 million, compared to negative USD 141.2 million in 2022. The figures for 2023 include proceeds from issuance of long-term interest bearing-debt of USD 616.7 million, repayment of debt of USD 571.8 million, repayment of finance lease liabilities of USD 0.1 million, payment of dividends of USD 30.0 million, dividends on hybrid capital of USD 8.5 million and USD 94.8 million in buy-backs of the hybrid capital based on nominal value. This compares to issuance of new long-term debt of USD 180.4 million, repayment of interest-

bearing debt of USD 230.9 million, repayment of finance lease liabilities of USD 0.3 million, dividends of USD 80.0 million, dividends on hybrid capital of USD 10.5 million in 2022.

Net cash flow for the year 2023 was positive USD 25.1 million, resulting in cash and cash equivalents of USD 115.8 million at the end of the year. This compares to a positive net cash flow of USD 2.3 million for 2022.

The Company's operating cash flow is sufficient to cover ordinary instalments under the Company's debt facilities. The Company normally finances new investments with a combination of debt and equity, where the operating cash flow from each new investment is sufficient to cover the debt assumed for the relevant project. The Company had USD 0.6 million of restricted cash deposits, included in cash and cash equivalents.

The Group had capital expenditure commitments related to 16 newbuildings of USD 812.8 million at the end of the year that are scheduled for delivery between 2024 and 2027. At the date of this report, the Company has secured loan facilities for all vessels scheduled for delivery by Q3 2026 and is in preliminary discussions for long-term financing of the remaining four newbuildings that are not yet financed.

## PARENT COMPANY – OCEAN YIELD AS

The net profit after tax for the parent company Ocean Yield AS was USD 33.0 million in 2023 compared with USD 46.9 million in 2022. Total assets were USD 861.9 million and total equity was USD 382.8 million, resulting in an equity ratio of 44.4% in the parent company. Total interest-bearing long-term debt was USD 462.5 million.

## PRESENTATION OF ANNUAL ACCOUNTS

Ocean Yield's consolidated Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS®), as adopted by the European Union and the additional requirements of the Norwegian Accounting Act as of 31<sup>st</sup> December 2023. The financial statements of the parent company Ocean Yield AS have been prepared and presented in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.



## GOING CONCERN ASSUMPTION

Pursuant to section 3-3a of the Norwegian accounting act, it is confirmed that the annual accounts have been prepared based on the assumption that Ocean Yield is a going concern and the Board of Directors confirms that this assumption continues to apply.

## RISK AND RISK MANAGEMENT

### MARKET RISK

As of year-end 2023, the whole fleet is fixed on long-term contracts and are hence not directly exposed to short- or medium-term market risk, as these contracts typically have a fixed charter rate throughout the entire period, only subject to SOFR adjustments. However, the Company is exposed to market risk and residual value risk related to vessels that are approaching the expiry date for their long-term contract, in the event that the contract does not contain a purchase obligation at the end, or potential purchase option is not utilised, or in the event of a counterparty default.

### OPERATING RISK

As most of Ocean Yield's vessels are on bareboat charter contracts, the Company is not exposed to operating risk for these vessels, as this is the responsibility of the charterer. For the three container vessels on charter to ZIM Integrated Shipping Services Ltd, the Company is exposed to operational risk, as these vessels are fixed on time-charter contracts.

### FINANCIAL RISK

Ocean Yield's strategy is to mitigate financial risk, where appropriate, using derivative instruments. This is mainly related to interest rate risk and currency risk. The Company will enter into fixed interest rate agreements for portions of its debt facilities from time to time, in order to hedge interest rate exposure. The ratio of fixed interest rate contracts to its total debt portfolio may vary from time to time, depending on the Company's view of the market. A number of the Company's lease agreements have floating interest rate clauses, where the counterparty is responsible for any increase in underlying interest rates. Hence, a major part of the debt portfolio is funded on a floating interest rate basis, where the interest rate risk is covered by the floating interest clauses in the leases. This significantly improves the overall effective hedging position of the Group.

Most of the Group's revenues are denominated in USD and hence there is limited currency exchange risk in the Group. However, the Company has some exposure to NOK through Ocean Yield's bond debt, which is issued in NOK, in addition to office rentals and salaries in Norway. As such, Ocean Yield may from time to time, enter into derivative contracts in order to hedge currency risk related to its fixed revenues. As of year-end, the Company had NOK 2,250 million in NOK loans (of which NOK 460.5m had been bought back by the Company) and had interest and currency swaps of NOK 1,375 million in total, which effectively swapped these loans from NOK to USD.

### FINANCING RISK

Ocean Yield is exposed to financing risk since the Company raises external debt on a regular basis for a portion of its investments in vessels, either in the bank market or the bond market. These loans are subject to refinancing typically at maturities ranging between five to twelve years. The loans are subject to certain financial covenants that are reported on a quarterly or semi-annual basis by the Company. Should the appetite or capacity in debt capital markets deteriorate rapidly, the Company may face the risk of increased margins when entering into a new project, or obtaining lower leverage than anticipated in a refinancing. This may negatively impact overall profitability. The Company works to mitigate these risks by securing financing at the same time or shortly after committing to a new investment and maintaining access to a broad range of capital market products.

### COUNTERPARTY RISK

Ocean Yield has inherent credit risk through the fact that a counterparty may not be able to meet its obligations under a long-term charter contract. In order to mitigate this risk, the Company charters out the vessels to internationally recognised companies within the shipping industry. However, as shipping markets are volatile, there is no complete protection against potential counterparty default. Ocean Yield also has credit risk related to its trade receivables. The Company's cash and cash equivalents are placed with major international banks with strong credit ratings.

### LIQUIDITY RISK

Ocean Yield has inherent liquidity risk in a situation where the Company may be unable to fulfil its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its obligations when due. Management monitors monthly forecasts of the Group's liquidity reserve on the basis of expected cash flows.

## SANCTIONS

Ocean Yield has strict requirements related to sanctions and restricted parties. This is included as charterers undertakings in all relevant bareboat and time charter contracts, and the Company has procedures to monitor related risks. Further, Ocean Yield has made undertakings related to sanctions and restricted parties in the Group's loan agreements.

## SUSTAINABILITY

The section 3-3c in the Norwegian Accounting Act requires that large companies account for their efforts to integrate corporate social responsibility in their business strategies and day-to-day operations. Ocean Yield AS has chosen to report on its efforts within ESG in a separate ESG Report approved by the Board of Directors. Reference is made to the Corporate Social Responsibility Statement/ESG Report available on [www.oceanyield.no](http://www.oceanyield.no). The assessment encompasses Ocean Yield AS and subsidiaries consolidated into the Group accounts. Ocean Yield respects fundamental human rights, provides decent working conditions and is committed to the health, safety and security of its employees, contractors and the communities in which the Company operates. The Norwegian Transparency Act, which entered into force on 1 July 2022, requires the Company to report on how it ensures compliance with fundamental human rights and decent working conditions in its operations, in its supply chain and with its business partners. The Company has disclosed its compliance with the Norwegian Transparency Act in its ESG Report for 2023 as referred to above.

## CORPORATE GOVERNANCE

The Company has adopted and implemented a corporate governance regime which, in all material respects, complies with the Section 3-3b in the Norwegian Accounting Act. A copy of the Corporate Governance Statement can be found on the Company's web site and in the ESG Report, available on [www.oceanyield.no](http://www.oceanyield.no).

Ocean Yield has directors and officers liability insurance for the Group and subsidiaries. The insurance covers the Board's and the management's legal personal liability for financial damage caused by the performance of their duties.

## RESEARCH AND DEVELOPMENT

Ocean Yield has not been engaged in research and development during 2023.

## ALLOCATION OF PROFIT AND DIVIDEND FOR THE PARENT COMPANY OCEAN YIELD AS

In 2023, Ocean Yield paid USD 30.0 million in dividends corresponding to a dividend of USD 0.17 per share. The net profit after tax of USD 33.0 million for 2023 for the parent company Ocean Yield AS has been proposed by the Board of Directors to be allocated to retained earnings.

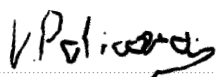
## OUTLOOK

Ocean Yield continues to selectively evaluate new investments in vessels with long-term charters as the Company seeks to further grow and diversify the portfolio, further enhancing the visibility of our backlog and cash flow.

Our strong and well performing portfolio and our continued strong access to financing make the Company well positioned to partner with existing and new clients as we seek to facilitate and assist their energy transition and fleet renewal.

We continue to closely monitor the key shipping segments and regulatory changes that gradually will be implemented, while we seek opportunities in change for the global maritime fleet.

**BÆRUM, 28<sup>TH</sup> FEBRUARY 2024**  
OCEAN YIELD AS



**VINCENT POLICARD**  
CHAIRPERSON



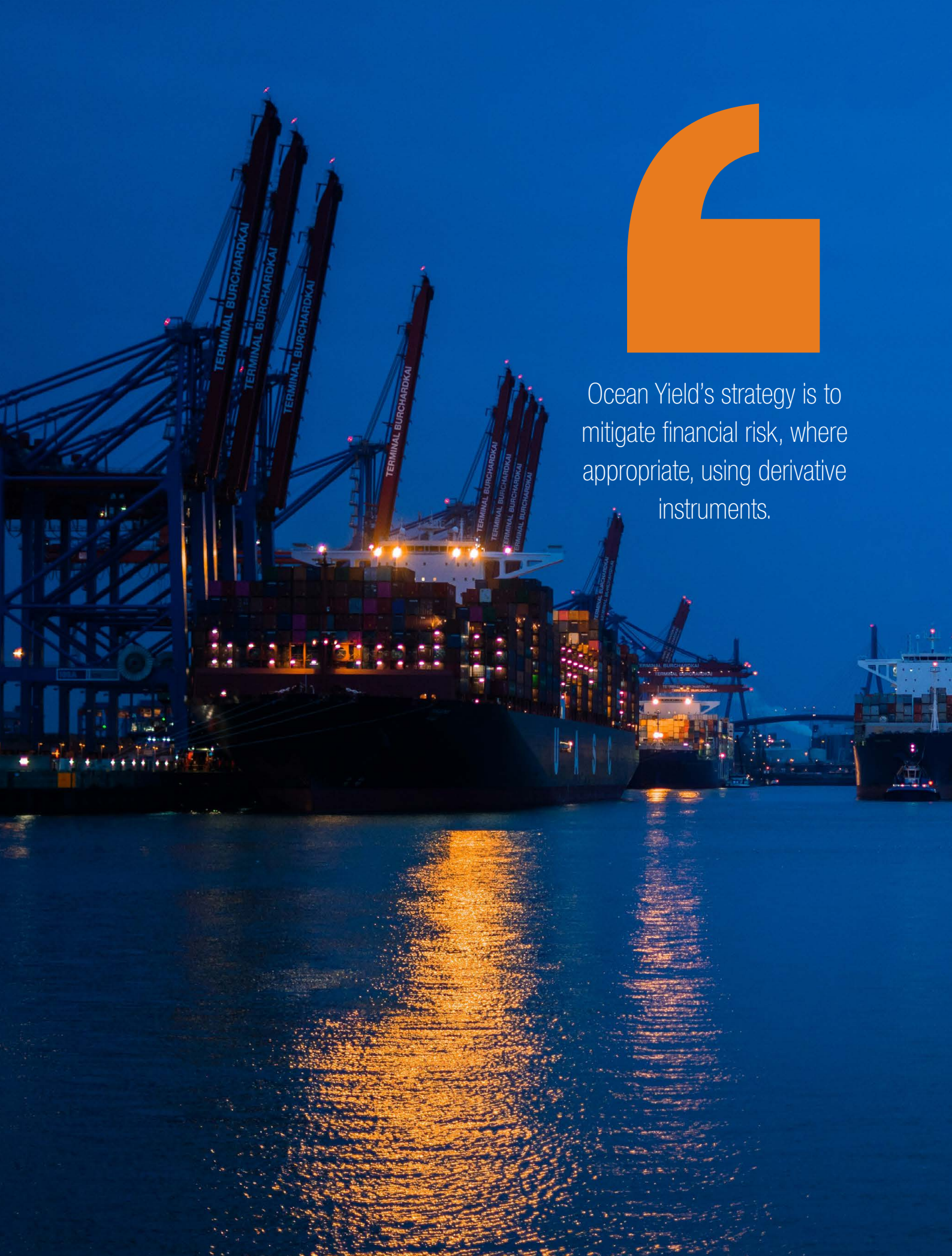
**BERNARDO NOGUEIRA**  
VICE CHAIRPERSON



**ANDREAS RØDE**  
CEO



**REBECCA LUND NAKKIM**  
DIRECTOR



Ocean Yield's strategy is to mitigate financial risk, where appropriate, using derivative instruments.

# CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

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<b>CONSOLIDATED FINANCIAL STATEMENTS AND NOTES</b>	<b>20</b>
Consolidated statement of profit or loss	22
Consolidated statement of comprehensive income	22
Consolidated balance sheet at 31st December	23
Consolidated statement of changes in equity	24
Consolidated statement of cash flows	25
<b>NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS</b>	<b>26</b>
Note 1 Corporate Information	27
Note 2 Significant accounting policies	27
Note 3 Significant accounting judgements, estimates and assumptions	32
Note 4 Capital and financial risk management	33
Note 5 Segment information	38
Note 6 Operating lease revenue	42
Note 7 Finance lease revenue	44
Note 8 Other income and other operating expenses	47
Note 9 Administrative expenses	48
Note 10 Financial income and financial expenses	48
Note 11 Income tax expense	49
Note 12 Vessels and other fixed assets	51
Note 13 Newbuildings	52
Note 14 Investments in associates	53
Note 15 Interest-bearing receivables, restricted cash and other non-current assets	56
Note 16 Earnings per share, dividend per share, paid-in capital and hybrid capital	56
Note 17 Group companies	58
Note 18 Foreign currency exchange rates	59
Note 19 Interest-bearing debt	60
Note 20 Leases	62
Note 21 Financial instruments	63
Note 22 Related party transactions	65
Note 23 Remuneration to the board of directors, CEO and CFO	65
Note 24 Contingencies and legal claims	65
Note 25 Subsequent events	65

## Consolidated statement of profit or loss

Amounts in USD million	Note	2023	2022
Operating lease revenue	5,6	67.7	68.9
Finance lease revenue	5,7	134.6	106.3
Income from investments in associates	14	22.0	18.0
Other income	8	12.7	4.2
<b>Total revenues and other income</b>		<b>237.0</b>	<b>197.3</b>
Vessel operating expenses		-0.6	0.0
Administrative expenses	9	-12.4	-10.4
Depreciation and amortisation	12	-24.7	-27.8
<b>Operating profit</b>		<b>199.2</b>	<b>159.2</b>
Financial income	10	13.4	3.7
Financial expenses	10	-116.2	-72.3
Foreign exchange gains (losses), net		-27.5	15.7
Change in fair value of financial instruments		24.2	-12.7
<b>Net financial items</b>		<b>-106.2</b>	<b>-65.6</b>
<b>Net profit before tax</b>		<b>93.0</b>	<b>93.6</b>
Income tax expense	11	-0.5	-2.4
<b>Net profit for the period</b>		<b>92.5</b>	<b>91.2</b>
Attributable to:			
Equity holders of the parent		83.9	80.7
Dividends on hybrid capital		8.6	10.5
<b>Net profit for the period</b>		<b>92.5</b>	<b>91.2</b>
<b>Basic and diluted earnings per share (USD)</b>	16	<b>0.48</b>	0.46

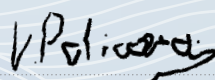
## Consolidated statement of comprehensive income

Amounts in USD million	Note	2023	2022
Net profit for the period		92.5	91.2
<b>Items that are or may be reclassified to the income statement</b>			
Share of other comprehensive income from investment in associates	14	-8.8	42.2
<b>Total for items that are or may be reclassified to the income statement</b>		<b>-8.8</b>	<b>42.2</b>
<b>Total change in other comprehensive income, net of income tax</b>		<b>-8.8</b>	<b>42.2</b>
<b>Total comprehensive income</b>		<b>83.7</b>	<b>133.4</b>
Attributable to:			
Equity holders of the parent		75.2	123.0
Dividends on hybrid capital		8.6	10.5
<b>Total comprehensive income for the period</b>		<b>83.7</b>	<b>133.4</b>

## Consolidated balance sheet at 31<sup>st</sup> December

Amounts in USD million	Note	2023	2022
<b>ASSETS</b>			
Vessels and other fixed assets	12	453.4	475.4
Newbuildings	13	96.4	56.2
Finance lease receivables	7,15	1,109.3	1,113.8
Investments in associates	14	187.8	190.5
Interest-bearing receivables	15	84.2	64.0
Restricted cash deposits	15	-	13.1
Fair value of derivatives	4	5.2	-
Other non-current assets	15	0.5	1.5
<b>Total non-current assets</b>		<b>1,936.9</b>	<b>1,914.4</b>
Finance lease receivables	7,15	251.9	287.5
Trade receivables and other current assets	4	7.0	4.7
Cash and cash equivalents	4	115.8	121.9
<b>Total current assets</b>		<b>374.8</b>	<b>414.0</b>
<b>Total assets</b>		<b>2,311.7</b>	<b>2,328.5</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	16	271.0	271.0
Other paid-in capital		128.0	128.0
<b>Total paid-in capital</b>		<b>399.0</b>	<b>398.9</b>
Retained earnings and other reserves		222.6	182.5
<b>Total equity attributable to equity holders of the parent</b>		<b>621.7</b>	<b>581.4</b>
Hybrid capital	16	30.2	125.0
<b>Total equity</b>		<b>651.8</b>	<b>706.4</b>
Interest-bearing debt	19	1,323.6	1,226.0
Deferred tax liabilities	11	9.4	8.4
Fair value of derivatives	4	-	14.6
Other non-current liabilities		17.9	8.9
<b>Total non-current liabilities</b>		<b>1,350.9</b>	<b>1,257.8</b>
Interest-bearing debt	19	277.2	329.6
Fair value of derivatives	4	11.4	15.9
Trade and other payables		20.4	18.7
<b>Total current liabilities</b>		<b>309.0</b>	<b>364.3</b>
<b>Total liabilities</b>		<b>1,659.8</b>	<b>1,622.1</b>
<b>Total equity and liabilities</b>		<b>2,311.7</b>	<b>2,328.5</b>

BÆRUM, 28<sup>TH</sup> FEBRUARY 2024  
OCEAN YIELD AS



VINCENT POLICARD  
CHAIRPERSON



BERNARDO NOGUEIRA  
VICE CHAIRPERSON



ANDREAS RØDE  
CEO



REBECCA LUND NAKKIM  
DIRECTOR

## Consolidated statement of changes in equity

Amounts in USD million	Share capital	Share premium	Retained earnings	Shareholders equity	Hybrid capital	Total equity
<b>Balance at 31st December 2021</b>	<b>271.0</b>	<b>208.0</b>	<b>59.5</b>	<b>538.5</b>	<b>125.0</b>	<b>663.5</b>
Net profit for the period	-	-	91.2	91.2	-	91.2
Other comprehensive income	-	-	42.2	42.2	-	42.2
Total comprehensive income	-	-	133.4	133.4	-	133.4
Dividend	-	-80.0	-	-80.0	-	-80.0
Dividend on hybrid capital	-	-	-10.5	-10.5	-	-10.5
<b>Balance at 31st December 2022</b>	<b>271.0</b>	<b>128.0</b>	<b>182.5</b>	<b>581.4</b>	<b>125.0</b>	<b>706.4</b>
Net profit for the period	-	-	92.5	92.5	-	92.5
Other comprehensive income	-	-	-8.8	-8.8	-	-8.8
Total comprehensive income	-	-	83.7	83.7	-	83.7
Dividend	-	-	-30.0	-30.0	-	-30.0
Buy-backs of hybrid capital	-	-	-5.0	-5.0	-94.8	-99.8
Dividend on hybrid capital	-	-	-8.6	-8.6	-	-8.6
<b>Balance at 31st December 2023</b>	<b>271.0</b>	<b>128.0</b>	<b>222.7</b>	<b>621.7</b>	<b>30.2</b>	<b>651.8</b>



## Consolidated statement of cash flows

Amounts in USD million	Note	2023	2022
Net profit for the period		92.5	91.2
Income tax expense		0.5	2.4
Taxes paid		-0.9	-0.4
Net interest expenses		100.1	67.4
Interest paid		-106.8	-59.6
Interest received		13.1	3.4
Gain/Loss from sale of vessel	8,12	-8.1	-0.4
Repayment on finance lease receivables	7	119.6	114.9
Cash from straightlining operating lease revenue	6	4.4	-
Depreciation and amortisation	12	24.7	27.8
Income from investments in associates	14	-22.0	-18.0
Dividend received from investments in associates		14.4	21.8
Unrealised foreign exchange gain/loss		26.1	-16.0
Change in fair value of financial instruments		-24.2	12.7
Changes in other operating assets and liabilities		2.4	-0.7
<b>Net cash flow from operating activities</b>		<b>235.8</b>	<b>246.3</b>
Acquisition of vessels and equipment	12	-5.8	-1.1
Proceeds from sale of vessels	12	106.4	22.0
Additions to newbuildings	13	-208.4	-56.2
Cash outflow from vessels accounted for as finance lease	7	-95.5	-101.5
Proceeds from sale of finance leased vessels	7	123.6	90.6
Net cash flow from other non-current assets		-52.2	-79.9
Proceeds from capital reduction in associates	14	1.6	30.8
Net cash flow from restricted cash and other investing activities		13.0	-7.5
<b>Net cash flow from investing activities</b>		<b>-117.2</b>	<b>-102.9</b>
Net proceeds from issuance of interest-bearing debt	21	616.7	180.4
Repayment of interest-bearing debt	21	-571.8	-230.9
Repayment on finance lease liabilities		-0.1	-0.3
Dividends paid	16	-30.0	-80.0
Repayment and dividend on hybrid capital	16	-103.4	-10.5
Net change in other financing activities		-5.0	-
<b>Net cash flow from financing activities</b>		<b>-93.5</b>	<b>-141.2</b>
<b>Net change in cash and cash equivalents</b>		<b>25.1</b>	<b>2.3</b>
Exchange rate differences		-31.2	-1.7
Cash and cash equivalents 1st January		121.9	121.2
<b>Cash and cash equivalents 31st December</b>	<b>4</b>	<b>115.8</b>	<b>121.9</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## NOTE 1 CORPORATE INFORMATION

Ocean Yield AS is a Norwegian limited company incorporated and domiciled in Bærum, Norway. The registered office is located at Oksenøyveien 10, Lysaker. The Ocean Yield Group was established at the end of March 2012, with Ocean Yield AS as the parent company. In July 2013 the Company was listed on the Oslo Stock Exchange. The Company was acquired by funds controlled by Kohlberg Kravis Roberts & Co. L.P. (“KKR”) and de-listed from the Oslo Stock Exchange in December 2021. Following the de-listing, the Company converted from ASA to AS.

Ocean Yield AS is a ship owning company with investments in vessels on long-term charters. The Company focuses on modern vessels and currently has investments in car carriers, chemical tankers, product tankers, crude tankers, container vessels, dry bulk vessels, oil-service vessels, and gas carriers.

The consolidated financial statements for 2023 were approved and authorised for issue by the Board of Directors on 28<sup>th</sup>

February 2024. The consolidated financial statements will be presented to the Annual General Meeting in March 2024 for approval.

## NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

### BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS®), as adopted by the European Union and the additional requirements of the Norwegian Accounting Act.

These consolidated financial statements of Ocean Yield AS include the financial statements of the Company and its subsidiaries owned as of 31<sup>st</sup> December 2023 (referred to collectively as the “Group” and separately as group companies).

The accounting principles presented herein have been applied consistently for the reporting period and for the companies presented in the consolidated financial statements. Comparative figures are reclassified if necessary to conform to current year presentation.

Preparation of the financial statements is based on historical cost, with the following exceptions:

- Derivative financial instruments are measured at fair value
- Financial assets measured at fair value over other comprehensive income
- Assets held for sale are measured at fair value

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

### FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in United States Dollars (USD), which is the functional currency of Ocean Yield AS and the group companies.

All financial information presented in USD has been rounded to the nearest million with one decimal, except when otherwise stated. Due to rounding differences there may be some minor inconsistencies between total figures.

### BASIS OF CONSOLIDATION

Consolidated financial statements present the Group’s financial position, profit or loss, comprehensive income, changes in equity and cash flow.



### **SUBSIDIARIES**

The Group's consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at December 31<sup>st</sup>, 2023. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

### **INVESTMENTS IN ASSOCIATES**

An associate is defined as a company over which the Group has significant influence but which is not a subsidiary or a joint arrangement. Significant influence is where the Company has the power to participate in the financial and operating policy decisions of the investee but is not in control or joint control of those policies. The Group's investment in an associate is accounted for using the equity method.

Dividends received from associates are presented as part of net cash flow from operating activities in the statement of cash flows.

### **FOREIGN CURRENCY TRANSLATION AND TRANSACTIONS**

Foreign currency transactions are translated into the entities' functional currency using the exchange rates prevailing at the date of each transaction. Monetary assets and liabilities in foreign currencies are translated to the entities functional currency using the exchange rates on the balance sheet date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the trans-

lation of monetary assets and liabilities denominated in other currencies than USD are recognised in the statement of profit and loss as foreign exchange gains/losses.

### **VESSELS AND EQUIPMENT**

Vessels and equipment are accounted for at cost less accumulated depreciation and impairment losses. Acquisition cost includes expenditures directly attributable to the asset's acquisition.

### **SUBSEQUENT COSTS**

Ordinary repairs and maintenance costs are charged to the profit and loss in the financial period when they are incurred. The cost of major upgrades, modification of an asset or periodic maintenance, such as dry-docking, is included in the asset's carrying amount.

### **DEPRECIATION**

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each major component of an item of property, plant and equipment, taking its residual value into consideration.

Estimated useful lives for the current and comparative periods are as follows:

Vessels	10-30 years
Machinery	3-15 years
Other fixed assets	3-10 years

Depreciation methods, useful lives, and residual values are reviewed at each reporting period.

## **NEWBUILDINGS**

Vessels under construction (“Newbuildings”) represent the accumulated costs to the balance sheet date which the Group has paid by way of purchase instalments and other capital expenditures together with capitalized interest and associated finance costs. For Newbuildings, no charge for depreciation is made until the vessel is available for use.

## **LEASE AGREEMENTS (AS LESSOR)**

All vessels owned by the Group are chartered out on long-term contracts. When assessing whether an agreement is an operating lease or a finance lease, estimates of the fair value of the vessels at the end of the lease periods and calculations of the present value of the minimum lease payments are the most important factors. Many of the lease contracts include one or more purchase options, purchase obligation at the end of the lease term, and/or options to extend the lease period beyond the firm period. At the inception of the lease, such options are taken into consideration when assessing whether the lease is an operating lease or a finance lease. It is also considered whether the lease agreements contain other elements where risk is transferred to the charterers, such as SOFR related charter hire adjustments, where some of the interest rate risk is transferred to the charterers.

### *OPERATING LEASE*

Leases in which a significant portion of the risks and rewards of ownership are retained by Ocean Yield are classified as operating leases. Lease assets held pursuant to an operating lease are included in the statement of financial position based on the nature of the asset. Direct costs incurred when establishing an operating lease are included in the leased asset’s carrying amount and are expensed over the term of the lease on the same basis as the lease income.

### *FINANCE LEASE*

Leases in which substantially all of the risks and rewards of ownership are transferred to the charterer are classified as finance leases. At the inception of the lease the net present value of the minimum lease payments and any discounted unguaranteed residual value are recognised as a interest-bearing receivable, split into a non-current and a current portion.

## **FINANCIAL ASSETS**

### *LOANS AND RECEIVABLES*

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. These assets are recognised initially at cost including any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

## **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist primarily of cash deposits on call with financial institutions and other short-term, highly liquid investments with original maturity of less than three months.

## **FINANCIAL DERIVATIVES**

The Group uses financial derivative instruments to hedge its exposure to foreign currency and interest-rate risks. However, the Group does not apply hedge accounting. Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the statement of profit and loss as they incur. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in profit or loss.

## **FINANCIAL LIABILITIES**

The Group classifies its non-derivative financial liabilities into the financial liabilities measured at amortised cost category. Such financial liabilities are initially recognised at fair value less any directly attributable transaction costs. After initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In such a case, the fee is deferred until the draw-down occurs. To the extent there is low probability that the facility will be drawn down, the fee is capitalised as a pre-payment and amortised over the period of the facility to which it relates.

## **HYBRID CAPITAL**

Hybrid bonds with no fixed maturity are accounted for as equity and are presented in a separate line within equity. The hybrid bonds are initially recognised at cost. Any directly attributable transaction costs are recognised against equity and presented in retained earnings. After initial recognition the hybrid bonds are not remeasured. Coupons paid on the hybrid bonds are recognised as dividend when they are paid.

## **LEASE AGREEMENTS (AS LESSEE)**

The Group has recognised right-of-use assets and lease liabilities for its rental of offices.

### *RIGHT-OF-USE ASSETS*

The Group recognises a right-of-use asset at the lease commencement date. The cost of right-of-use asset includes the amount of lease liability recognised, initial direct costs incurred, and the lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset is generally depreciated on a straight-line-basis over its estimated useful life.

### *LEASE LIABILITIES*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Generally, the Group uses its incremental bor-

rowing rate as the discount rate. The lease payments include fixed payments and variable lease payments that depend on an index or rate. The variable lease payment that does not depend on an index or rate is recognised as expense in the period in which it is incurred.

## CURRENT AND DEFERRED INCOME TAX

Income tax in the profit or loss statement comprises current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in Other comprehensive income or directly in equity.

Current tax is the anticipated tax payable on the taxable income for the year, using current tax rates at the balance sheet date, and any adjustment to tax payable related to previous years.

Deferred income tax is stated, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets are recognised for all deductible temporary differences and all carry-forwards of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which such deductible temporary differences and carry-forwards can be used.

Deferred tax is not recognised for the following temporary differences:

- Initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.
- Differences relating to investments in subsidiaries and jointly controlled entities, to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured on an undiscounted basis. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on current tax rates (and tax laws) at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and if the deferred tax relates to the same taxable entity or the same tax authority.

The operations of the Group's bareboat fleet is managed from Malta. As a consequence most of the Group's income is subject to corporate taxation in Malta.

## REVENUE RECOGNITION

### OPERATING LEASE REVENUE

Revenue related to vessel charter agreements that are classified as operating leases are recognised on a straight line basis over the lease term, and classified as operating lease





revenues in the statement of profit or loss. Contingent rental income, such as SOFR related charter hire adjustments, is recognised in profit or loss as earned.

#### *FINANCE LEASE REVENUE*

Over the lease term, interest on the net investment is recognised in the profit or loss as finance lease revenue in a way that produces a constant rate of return on the investment. Contingent rental income, such as SOFR related charter hire adjustments, is recognised in profit or loss as earned.

#### **IMPAIRMENT**

##### *NON-FINANCIAL ASSETS*

The carrying amounts of the Group's assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If an indication of impairment exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash generating unit is defined as the greater of its value in use and its fair value, less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a relevant pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount.

##### *FINANCIAL ASSETS*

The Group assesses, at the end of each reporting period, whether there is objective evidence that a financial asset is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect, which can be estimated reliably, on the estimated future cash flows of the asset.

The recoverable amount of the Group's financial assets carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate calcu-

lated at initial recognition of these financial assets). Receivables with a short term to maturity are not discounted.

#### **MEASUREMENT OF FAIR VALUE**

Ocean Yield measures certain assets and liabilities at fair value for the purpose of recognition or disclosure. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 Valuation techniques for which input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3 Valuation techniques for which input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. Further, the methods used in determining fair value is described in the following.

#### *LOANS AND OTHER LONG-TERM RECEIVABLES*

Fair value is determined for disclosure purposes. The fair value of loans and other long-term receivables is estimated as the present value of future cash flows, discounted with an applicable discount rate.

#### *FINANCE LEASE RECEIVABLES*

Fair value is determined for disclosure purposes. The fair value of finance lease receivables is estimated as the present value of future cash flows, discounted with an applicable discount rate. The fair value calculation of the finance lease receivables has additional disclosures in note 21.

#### *TRADE AND OTHER RECEIVABLES*

The fair value of trade receivables and other receivables is estimated at the present value of future cash flows of principal and interests, discounted at the market rate of interest at the balance sheet date.

#### *DERIVATIVES*

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, the fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds), and taking changes in Ocean Yield's credit risk into account. The fair value of interest rate swaps is based on the present value of future cash flows, calculated based on observable market rates and exchange rates on the reporting date, including accrued interest and also taking changes in Ocean Yield's credit risk into account.

#### *NON-DERIVATIVE FINANCIAL LIABILITIES*

Fair value is determined for disclosure purposes. The fair value of listed bond debt is based on quoted market prices, while the fair value of other liabilities is calculated based on the present value of future cash flows of principal and interests, discounted at the market rate of interest at the balance sheet date.

### **NEW AND AMENDED STANDARDS AND INTERPRETATIONS**

A number of new standards and amendments are effective from 1 January 2023, but they did not have a material effect on the Group's financial statements. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### **NOTE 3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

Preparation of financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of guidelines and principles, as well as the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are considered relevant under the circumstances. The resulting accounting estimates will, by definition, rarely match actual results, but are based on the best estimate at the time.

Estimates and underlying assumptions are reviewed on a regular basis. Changes to accounting estimates are recognised in the period in which the estimates are revised if the change affects that period, or prospectively for changes in estimates such as the useful lives of vessels or in estimated residual values. Estimates and assumptions that could have a significant impact on the carrying amounts of assets and liabilities within the next financial year are described below.

#### *CLASSIFICATION OF LEASE AGREEMENTS*

At the inception of the lease agreements an assessment is made to evaluate whether the agreements should be classified as operating leases or finance leases. Reference is made to note 2 Significant accounting policies, section Lease Agreements, note 6 Operating lease revenue and note 7 Finance lease revenue.

#### *IMPAIRMENT OF VESSELS*

Ocean Yield has significant investments in vessels. Evaluating whether a vessel is impaired or if an impairment should be reversed, requires a high degree of judgment and may to a large extent depend upon the key assumptions about future development. Reference is made to note 12 Vessels and other fixed assets.

#### *IMPAIRMENT OF FINANCE LEASE RECEIVABLES*

The Group had as of year-end 2023 36 lease agreements that are classified as finance leases. At the end of each reporting period the Group assesses whether the financial lease receivables are impaired. Impairment is assessed using the expected credit loss ("ECL") method for financial assets.

Twelve months ECLs are used for the finance lease receivables for which credit risk has not increased significantly since initial recognition. If there is a significant increase in credit risk, the expected credit loss is estimated for the entire lease term. The determination of whether there is a significant increase in credit risk is based on an assessment of the counterparty. Examples of events that may lead to a significant increase in credit risk are delayed payments, breach of covenants, decrease in equity, negative development in working capital and a significant decrease in the share price for listed entities. In addition, the Group regularly assesses whether there have been reductions in the estimated unguar-



anteed residual values of the leased assets. The assessment of changes in unguaranteed residual values involves the use of estimates and assumptions about expected future values. Reference is made to note 7 Finance lease revenue and note 21 Financial instruments.

#### *HYBRID CAPITAL*

In August 2019 the Company issued a perpetual hybrid callable bond (“Hybrid bond”). The Hybrid bond is a perpetual bond, with no fixed maturity. After five and a half years there is a step-up in the margin of 5%. However, there is no contractual obligation to repay the bonds. Further, coupons on the bonds can be deferred at any time and can be deferred until the bonds are settled. Deferring the coupons blocks the Company from paying dividends. As the Company has no contractual obligation to pay either the bonds or the coupons, it is the Company’s assessment that the Hybrid bond does not meet the requirements in the definition of a financial liability and is therefore classified as equity.

## **NOTE 4 CAPITAL AND FINANCIAL RISK MANAGEMENT**

### **SANCTIONS**

The Company has strict requirements related to sanctions and restricted parties. With the war unfolding in the Ukraine, the Company is monitoring the situation with specific focus on sanctions. The Company does not have any operations or contracts directly related to Russia or Ukraine and has specific clauses in all relevant time-charters and bareboat charters with respect to sanctions. This is included as charterers undertakings in all relevant charter parties, and the Company has procedures to monitor related risks. Further, Ocean Yield has made undertakings related to sanctions and restricted parties in the Group’s loan agreements.

### **FINANCIAL RISK**

The Company is exposed to different types of financial risk including credit-, liquidity- and market risk (e.g. interest- and currency risk). Ocean Yield uses different financial instruments to actively manage its financial exposure. The purpose of risk management is to measure and manage financial risk in a reliable manner, thereby increasing predictability and reducing negative effects on Ocean Yield’s financial results.

The Company has developed a policy on how the financial risk is monitored. The risk is monitored continuously and reported on a regular basis. The main companies in the Group have developed similar policies and guidelines based on the individual company’s exposure to the different kinds of financial risks.

### **MARKET RISK**

As of year-end 2023 the whole fleet, including eight vessels owned through joint ventures, are on long-term contracts and are hence not directly exposed to short- or medium term market risk, as these contracts typically have a fixed charter



rate throughout the entire period. However, the Company is exposed to market risk and residual value risk related to the vessels upon expiry of a charter contract and in the event of a counterparty default.

### **OPERATING RISK**

As Ocean Yield's fleet is primarily fixed on bareboat charter contracts, the Company is not exposed to operating risk for these vessels, as this is the responsibility of the charterer. However, for the three container vessels on charter to ZIM Integrated Shipping Service Ltd, the Company is exposed to operational risk, as these vessels are fixed on time-charter contracts.

### **FINANCING RISK**

Ocean Yield is exposed to financing risk since the Company raises external debt on a regular basis for a portion of its investments in vessels, either in the bank market or the bond market. These loans are subject to refinancing typically after five to twelve years. The loans are subject to certain financial covenants that are reported on a quarterly or semi-annual basis by the Company. Should the capacity in these markets deteriorate rapidly, the Company may face the risk of increased margins when entering into a new project, obtaining lower leverage than anticipated in a refinancing or not be able to refinance. This may negatively impact the Company's overall returns. The Company works to reduce these risks by securing financing at the same time or shortly after committing to a new investment and by maintaining access to a broad range of capital market products.

### **CREDIT RISK**

The exposure to credit risk is monitored on a regular basis.

The Group's principal financial assets are bank deposits and cash, finance lease receivables, trade and other receivables and derivatives. The Group's exposure to credit risk is mainly related to finance lease receivables and trade receivables.

The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by management based on prior experience and their assessment of the current economic environment. At the end of each reporting period the Group assesses whether the financial assets are credit-impaired. Impairment is assessed using the expected credit loss ECL method for financial assets as further described in note 3.

#### *FINANCIAL INTEREST-BEARING RECEIVABLES*

Financial interest-bearing receivables mainly consist of finance lease receivables. As of 31 December, 2023 the Group had 36 vessels accounted for as finance leases related to vessels that are wholly owned. As of the balance sheet date, management does not expect any counter-party to fail to meet its obligations.

#### *TRADE RECEIVABLES*

The Group had USD 0.5 million in trade receivables as of year-end 2023. Management expects these balances to be recovered within their due dates.

#### *CASH AND CASH EQUIVALENTS*

Cash and cash equivalents are held with banks and financial institutions with strong credit-ratings. Based on their credit ratings, as of the balance sheet date management does not expect any of these financial institutions to fail to meet their obligations.

#### *DERIVATIVE FINANCIAL INSTRUMENTS*

Transactions involving derivative financial instruments are made with counterparties that have sound credit-ratings. Given their high credit ratings, as of the balance sheet date management does not expect any counterparty to fail to meet its obligation.

#### *EXPOSURE TO CREDIT RISK*

The Group has inherent credit risk through the fact that a counterpart may not be able to meet its obligations under a long-term charter contract. In order to mitigate this risk, the Company charters out the vessels to internationally well-recognised companies within the shipping and offshore industry. However, as shipping and oil service markets are volatile, there is no absolute protection against potential counterparty default.

The Group's exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Amounts in USD million	Note	2023		Total
		Receivables at amortised cost	Cash and cash equivalents	
Finance lease receivables	7	1,109.3	-	1,109.3
Restricted cash deposits		-	-	-
Other non-current assets		84.7	-	84.7
Finance lease receivables, current portion		251.9	-	251.9
Trade receivables and other current assets		7.0	-	7.0
Cash and cash equivalents		-	115.8	115.8
<b>Total</b>		<b>1,453.0</b>	<b>115.8</b>	<b>1,568.8</b>

Of the total cash balance year-end 2023, USD 0.6 million was restricted cash.

Amounts in USD million	Note	2022		Total
		Receivables at amortised cost	Cash and cash equivalents	
Finance lease receivables	7	1,113.8	-	1,113.8
Restricted cash deposits		-	13.1	13.1
Other non-current assets		65.5	-	65.5
Finance lease receivables, current portion		287.5	-	287.5
Trade receivables and other current assets		4.7	-	4.7
Cash and cash equivalents		-	121.9	121.9
<b>Total</b>		<b>1,471.5</b>	<b>135.0</b>	<b>1,606.4</b>

The maturity of trade receivables and provisions for impairment loss are as follows:

Amounts in USD million	Gross trade receivables 2023	Provision for impairment loss 2023	Gross trade receivables 2022	Provision for impairment loss 2022
Not past due	0.5	-	2.0	-
Past due 0-30 days	-	-	-	-
Past due 31-120 days	-	-	-	-
Past due 121 - 365 days	-	-	-	-
Past due more than one year	9.5	-9.5	9.5	-9.5
<b>Total trade receivables</b>	<b>10.0</b>	<b>-9.5</b>	<b>11.5</b>	<b>-9.5</b>

The movement in allowance for impairment loss during the year was:

Amounts in USD million	2023	2022
Balance 1st January	9.5	9.5
Impairment loss recognised in profit and loss	-	-
Reversal or use of previously recognised impairment provision	-	-
<b>Balance 31st December</b>	<b>9.5</b>	<b>9.5</b>

The allowance for impairment loss of USD 9.5 million is related to the vessel Connector and an old claim against EMAS AMC AS. The claim has never been recognised as revenue.

## LIQUIDITY RISK

Liquidity risk is the risk that the Group will be unable to fulfil its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its obligations when due. Management monitors monthly forecasts of the Group's liquidity reserve on the basis of expected cash flows.

The figures in the table below represent the contractual undiscounted cash flows related to the Groups liabilities. Interest has been calculated using the interest rates as of year-end.

### Overview of contractual maturities of financial liabilities, including estimated interest payments specified per category of interest-bearing liabilities:

Amounts in USD million	2023 Contractual cash flows						
	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	1,426.5	-1,426.5	-91.5	-167.0	-786.9	-230.7	-145.4
Unsecured bonds	174.3	-174.3	-	-28.5	-	-147.5	-
Forward exchange contracts, net	6.1	-6.1	-0.6	-11.0	0.8	-2.7	-
Finance lease liabilities	1.3	-1.4	-0.2	-0.2	-0.3	-0.6	-0.1
Trade and other payables	20.4	-19.9	-19.9	-	-	-	-
<b>Total contractual cash flows for liabilities</b>	<b>1,628.6</b>	<b>-1,628.3</b>	<b>-112.3</b>	<b>-206.6</b>	<b>-786.4</b>	<b>-381.5</b>	<b>-145.5</b>

Amounts in USD million	2022 Contractual cash flows						
	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	1,404.0	-1,411.0	-101.4	-152.2	-230.2	-816.0	-111.3
Unsecured bonds	151.7	-152.2	-76.1	-	-76.1	-	-
Interest rate swaps	0.2	0.0	0.0	-	-	-	-
Forward exchange contracts, net	30.5	-28.5	-17.3	1.0	-12.2	-	-
Finance lease liabilities	1.3	-2.1	-0.2	-0.2	-0.4	-1.0	-0.3
Trade and other payables	18.7	-18.7	-18.7	-	-	-	-
<b>Total contractual cash flows for liabilities</b>	<b>1,606.4</b>	<b>-1,575.1</b>	<b>-176.3</b>	<b>-151.4</b>	<b>-318.9</b>	<b>-817.0</b>	<b>-111.6</b>

## CURRENCY RISK

Ocean Yield operates in the international markets which leads to various types of currency exposure for the Group. Currency risks arise through ordinary, future business transactions, capitalised assets and liabilities and when such transactions have been made against payment in a currency other than the functional currency of the respective group company. In addition, currency risk may arise from investments in subsidiaries with a different currency than USD.

Ocean Yield defines levels for the hedging of expected future cash flows. The Company may from time to time utilise currency forward contracts and currency option contracts to reduce currency exposure.

### EXPOSURE TO CURRENCY EXCHANGE RISK

The functional currencies of Ocean Yield AS and its subsidiaries reflect the primary economic environment in which

the entities operates. Ocean Yield AS and its subsidiaries has USD as functional currency. For the subsidiaries the revenues and interest-bearing debt is mainly denominated in USD. Hence there is limited currency risk related to the subsidiaries of Ocean Yield AS.

As of year-end 2023 the Group's exposure to currency risk is mainly related to debt denominated in NOK. To reduce part of the currency effects related to this debt, Ocean Yield AS has entered into cross currency interest rate swaps where cash flows in NOK have been swapped to USD. As of year-end 2023 the Group had five cross currency swaps, where NOK 1,375 million has been swapped from floating rate in NOK to floating rate in USD. Total outstanding debt in NOK as of year-end 2023 was NOK 2,250 million (of which NOK 460.5 million had been bought back by the Company).

If the USD had appreciated with 10% versus NOK at year-end the effects on the above mentioned items would have been as follows:

Amounts in USD million	2023		2022	
	Profit before tax	Equity	Profit before tax	Equity
Foreign exchange gains on bond loans	16.3	12.7	13.8	10.8
Change in fair value of cross currency interest rate swaps	-13.6	-10.6	-12.0	-9.4
<b>Total</b>	<b>2.7</b>	<b>2.1</b>	<b>1.8</b>	<b>1.4</b>

## INTEREST RATE RISK

The Group's interest rate risk arises from long-term borrowings and receivables. Borrowings and receivables issued at variable rates expose the Group to cash flow interest rate risk.

The Group has prepared guidelines for management of interest rate risks. The interest rate policy defines levels for the hedging of expected future cash flows. To manage some of the interest rate risk, the Group may enter into interest rate swaps related to vessel financings, where floating rate pay-

ments have been swapped to fixed rate payments. As of year-end 2023, the Company did not have any interest rate swaps.

In addition, in several of the Group's lease agreements the charter rates are subject to a SOFR adjustment, which matches the underlying funding of the asset. During 2023, the Company has replaced the references to the relevant IBOR rates in the Group's lease agreements and loan agreements, with SOFR or TERM SOFR.

As of 31st December the interest rate profile of the Group's interest-bearing financial instruments was as follows:

Amounts in USD million	2023	2022
<b>Fixed rate instruments:</b>		
Financial assets	56.2	85.1
Financial liabilities	-	-27.6
<b>Net fixed rate instruments</b>	<b>56.2</b>	<b>57.5</b>
<b>Variable rate instruments:</b>		
Financial assets	1,561.2	1,515.2
Operating leases with SOFR adjustment	85.1	189.1
Financial liabilities	-1,600.8	-1,528.0
<b>Net variable rate instruments</b>	<b>45.5</b>	<b>176.3</b>
<b>Net interest-bearing debt (-) / asset (+)</b>	<b>101.7</b>	<b>233.8</b>

The terms of the Group's interest rate swaps as of year-end were as follows:

Amounts in USD million	2023	2022
Swap amount	-	27.6
Weighted average fixed interest rate (swapped from SOFR)	-	2.93%
Weighted average remaining years	-	0.3

## SENSITIVITY ANALYSIS RELATED TO INTEREST RATES

Borrowings and receivables issued at variable rates expose the Group to cash flow interest rate risk. At year-end 2023 the Group had USD 45.5 million (176.3 million year-end 2022) in net variable rate instruments. An increase in the SOFR rate of 100 basis points would increase the Group's annual net profit before tax with USD 2.2 million (increase of USD

2.5 million based on year-end 2022) and an increase in the NIBOR rate of 100 basis points would decrease the Group's annual net profit before tax with USD 1.7 million (decrease of USD 1.4 million based on year-end 2022). The figures do not include changes in MTM of interest rate swaps.

## NOTE 5 SEGMENT INFORMATION

Ocean Yield defines operating segments based on the Group's internal reporting structure and how management measures and monitors performance. The Group's chief operating decision makers, responsible for the allocation of resources and assessment of performance in the different operating segments, is defined as the Board of Directors.

During 2023, Ocean Yield revised its segment reporting to include gas carriers and dry bulk carriers as separate reportable segments. Comparative numbers in 2022 have been revised to conform with current presentation.

Ocean Yield's segments are:

- **Tankers**

This segment includes the Group's investments in tankers. As of 31<sup>st</sup> December 2023 the Group had two chemical tankers, three product tankers, ten Suezmax tankers, eight VLCCs and four product tanker newbuildings. In addition the Group's 50% equity investment in one product tanker is included in the segment.

- **Container vessels**

This segment includes the Group's investments in container vessels. As of year-end 2023 the Group had six container vessels and one container newbuilding. In addition the Group's 49.9% equity investment in seven mega container vessels is included in the segment.

- **Car carriers**

This segment includes the Group's investments in car carriers. As of 31<sup>st</sup> December 2023 the Group had two pure car truck carriers (PCTC).

- **Gas carriers**

This segment includes the Group's investments in gas carriers. As of 31<sup>st</sup> December 2023 the Group had three gas carriers and two gas carrier newbuildings.

- **Dry bulk vessels**

This segment includes the Group's investments in dry bulk vessels. As of 31<sup>st</sup> December 2023 the Group had five dry bulk vessels and commitments for nine dry bulk newbuildings under construction.

- **Oil Service**

Vessels operating within the oil sector are included in this segment. As of 31<sup>st</sup> December 2023 this segment included two anchor handling tug supply vessels (AHTS), one construction vessel and two Platform Supply vessels.

- **Other**

This segment includes any other investments in the Group in addition to administrative expenses, interest rate expenses related to the Group's bond debt and currency fluctuations.

## 2023 - Segments

### Statement of profit or loss

Amounts in USD million	Tankers	Container vessels	Car Carriers	Gas Carriers	Dry Bulk Vessels	Oil Service	Other and eliminations	Total
Operating lease revenue	-	5.2	22.6	21.1	-	18.8	-	67.7
Finance lease revenue	86.9	11.3	-	4.8	11.9	19.6	-	134.6
Income from investments in associates	0.7	21.3	-	-	-	-	-	22.0
Other income	-2.0	0.0	5.7	-	5.7	2.9	0.3	12.7
<b>Total revenues and other income</b>	<b>85.6</b>	<b>37.8</b>	<b>28.3</b>	<b>25.9</b>	<b>17.6</b>	<b>41.4</b>	<b>0.3</b>	<b>237.0</b>
Operating expenses	-0.4	-0.8	-0.0	-0.0	-0.3	-0.2	-11.3	-13.1
Depreciation and amortisation	-	-1.4	-5.7	-5.6	-	-11.5	-0.5	-24.7
<b>Operating profit (loss)</b>	<b>85.3</b>	<b>35.6</b>	<b>22.6</b>	<b>20.2</b>	<b>17.3</b>	<b>29.7</b>	<b>-11.5</b>	<b>199.2</b>
Interest income	0.6	0.1	0.1	0.1	7.3	0.2	5.0	13.4
Other financial income	-	-	-	-	-0.2	-	24.3	24.2
Interest expense	-56.4	-8.8	-7.4	-7.5	-8.8	-11.8	-12.8	-113.5
Other financial expenses	-0.1	-0.1	-0.0	-0.0	-0.0	-0.1	-30.0	-30.3
<b>Net profit (loss) before tax</b>	<b>29.4</b>	<b>26.9</b>	<b>15.3</b>	<b>12.8</b>	<b>15.7</b>	<b>17.9</b>	<b>-25.0</b>	<b>93.0</b>
Income tax expense (-)/benefit (+)	-1.0	-0.2	-0.1	-0.3	-0.5	-0.1	1.8	-0.5
<b>Net profit (loss) for the period</b>	<b>28.4</b>	<b>26.7</b>	<b>15.2</b>	<b>12.5</b>	<b>15.2</b>	<b>17.7</b>	<b>-23.2</b>	<b>92.5</b>

## 2023 - Segments

### Balance sheet

Amounts in USD million	Tankers	Container vessels	Car Carriers	Gas Carriers	Dry Bulk Vessels	Oil Service	Other and eliminations	Total
<b>ASSETS</b>								
Vessels and equipment	-	168.7	85.0	130.6	-	66.6	2.6	453.4
Newbuildings	32.6	28.0	-	35.3	-	-	0.5	96.4
Investments in associates	1.4	186.0	-	-	-	-	0.3	187.8
Finance lease receivables	731.3	87.2	-	41.8	101.1	147.9	-0.0	1,109.3
Interest-bearing receivables	-	-	-	-	84.2	-	-	84.2
Other non-current assets	-	-	-	0.5	-	-	5.3	5.8
<b>Total non-current assets</b>	<b>765.3</b>	<b>470.0</b>	<b>85.0</b>	<b>208.1</b>	<b>185.3</b>	<b>214.5</b>	<b>8.7</b>	<b>1,936.9</b>
Finance lease receivables	176.1	17.8	-	6.8	14.5	36.7	-0.0	251.9
Trade receivables and other current assets	0.1	1.1	-	0.0	0.8	0.5	4.5	7.0
Cash and cash equivalents	7.6	5.1	0.0	0.2	22.1	2.7	78.0	115.8
<b>Total current assets</b>	<b>183.9</b>	<b>24.0</b>	<b>0.0</b>	<b>7.0</b>	<b>37.4</b>	<b>39.9</b>	<b>82.6</b>	<b>374.8</b>
<b>Total assets</b>	<b>949.2</b>	<b>494.0</b>	<b>85.0</b>	<b>215.1</b>	<b>222.7</b>	<b>254.4</b>	<b>91.2</b>	<b>2,311.7</b>
<b>EQUITY AND LIABILITIES</b>								
<b>Total equity</b>	<b>57.3</b>	<b>200.4</b>	<b>-2.9</b>	<b>-7.2</b>	<b>17.5</b>	<b>8.2</b>	<b>378.4</b>	<b>651.8</b>
Interest-bearing debt	688.8	172.6	57.5	100.1	39.4	115.1	150.1	1,323.6
Deferred tax liabilities	4.5	1.6	1.9	4.8	0.5	3.5	-7.4	9.4
Fair value of derivatives	5.2	-	-	-	-	-	-5.2	-
Other non-current liabilities	5.2	4.4	-	1.7	5.2	-	1.4	17.9
<b>Total non-current liabilities</b>	<b>703.7</b>	<b>178.7</b>	<b>59.5</b>	<b>106.5</b>	<b>45.0</b>	<b>118.6</b>	<b>138.8</b>	<b>1,350.9</b>
Interest-bearing debt	101.3	36.7	6.1	13.5	61.7	29.5	28.5	277.2
Fair value of derivatives	-	-	-	-	-	-	11.4	11.4
Trade and other payables	7.3	4.0	0.7	1.3	1.7	1.6	3.8	20.4
<b>Total current liabilities</b>	<b>108.6</b>	<b>40.6</b>	<b>6.7</b>	<b>14.8</b>	<b>63.4</b>	<b>31.1</b>	<b>43.7</b>	<b>309.0</b>
<b>Total liabilities</b>	<b>812.3</b>	<b>219.4</b>	<b>66.2</b>	<b>121.3</b>	<b>108.4</b>	<b>149.7</b>	<b>182.5</b>	<b>1,659.8</b>
<b>Total equity and liabilities</b>	<b>869.7</b>	<b>419.8</b>	<b>63.3</b>	<b>114.2</b>	<b>126.0</b>	<b>157.9</b>	<b>560.9</b>	<b>2,311.7</b>

## 2022 - Segments

### Statement of profit or loss

Amounts in USD million	Tankers	Container vessels	Car Carriers	Gas Carriers	Dry Bulk Vessels	Oil Service	Other and eliminations	Total
Operating lease revenue	-	-	30.0	21.0		17.9	0.1	68.9
Finance lease revenue	66.6	7.0	-	1.5	12.9	18.3	-	106.3
Income from investments in associates	1.0	17.0	-	-	-	-	-	18.0
Other income	0.9	0.7	-	2.7		-	-0.1	4.2
<b>Total revenues and other income</b>	<b>68.4</b>	<b>24.6</b>	<b>30.0</b>	<b>25.1</b>	<b>12.9</b>	<b>36.2</b>	<b>0.0</b>	<b>197.3</b>
Operating expenses	-0.4	-0.0	-0.1	-0.0	-0.1	-0.0	-9.7	-10.4
Depreciation and amortisation	-	-	-9.3	-5.4	-	-11.9	-1.2	-27.8
<b>Operating profit (loss)</b>	<b>68.0</b>	<b>24.6</b>	<b>20.7</b>	<b>19.7</b>	<b>12.8</b>	<b>24.2</b>	<b>-10.9</b>	<b>159.2</b>
Interest income	0.2	0.0	0.1	0.0	0.4	0.1	2.9	3.7
Other financial income	-0.0	-0.0	0.0	-0.0	0.0	-0.0	15.7	15.7
Interest expense	-32.3	-5.2	-5.1	-6.1	-4.6	-6.9	-11.0	-71.0
Other financial expenses	-	-	-	0.3	1.6	-	-15.9	-14.0
<b>Net profit (loss) before tax</b>	<b>35.9</b>	<b>19.5</b>	<b>15.7</b>	<b>13.9</b>	<b>10.2</b>	<b>17.5</b>	<b>-19.1</b>	<b>93.5</b>
Income tax expense (-)/benefit (+)	-0.9	-0.2	0.5	-0.5	-0.2	-0.4	-0.7	-2.4
<b>Net profit (loss) for the period</b>	<b>35.0</b>	<b>19.3</b>	<b>16.2</b>	<b>13.4</b>	<b>10.0</b>	<b>17.1</b>	<b>-19.8</b>	<b>91.2</b>



## 2022 - Segments

### Balance sheet

Amounts in USD million	Tankers	Container vessels	Car Carriers	Gas Carriers	Dry Bulk Vessels	Oil Service	Other and eliminations	Total
<b>ASSETS</b>								
Vessels and equipment	-	-	188.6	132.2	-	146.1	8.5	475.4
Newbuildings	-	39.6	-	16.6	-	-	-	56.2
Investments in associates	2.6	187.4	-	-	-	-	0.4	190.5
Finance lease receivables	743.2	100.0	-	46.5	120.9	103.3	-	1,113.9
Interest-bearing receivables	-	-	-	-	64.0	-	-	64.0
Other non-current assets	-	-	0.0	0.9	-	-	13.6	14.5
<b>Total non-current assets</b>	<b>745.8</b>	<b>327.0</b>	<b>188.6</b>	<b>196.2</b>	<b>184.9</b>	<b>249.5</b>	<b>22.4</b>	<b>1,914.5</b>
Finance lease receivables	219.3	18.4	-	7.0	15.8	27.0	-	287.5
Trade receivables and other current assets	-	0.2	-	0.0	0.3	3.3	0.9	4.7
Cash and cash equivalents	14.2	0.4	0.4	0.8	6.6	2.1	97.3	121.9
<b>Total current assets</b>	<b>233.5</b>	<b>19.1</b>	<b>0.4</b>	<b>7.8</b>	<b>22.7</b>	<b>32.3</b>	<b>98.3</b>	<b>414.1</b>
<b>Total assets</b>	<b>979.3</b>	<b>346.1</b>	<b>189.1</b>	<b>204.0</b>	<b>207.6</b>	<b>281.8</b>	<b>120.7</b>	<b>2,328.5</b>
<b>EQUITY AND LIABILITIES</b>								
<b>Total equity</b>	<b>221.6</b>	<b>232.0</b>	<b>29.3</b>	<b>70.1</b>	<b>80.8</b>	<b>141.2</b>	<b>-68.6</b>	<b>706.4</b>
Interest-bearing debt	602.0	96.7	143.9	115.1	85.9	106.9	75.6	1,226.0
Deferred tax liabilities	5.5	1.6	3.3	4.0	0.4	3.0	-9.4	8.4
Fair value of derivatives	-	-	-	-	-	-	14.6	14.6
Other non-current liabilities	-	-	-	1.7	5.8	-	1.4	8.9
<b>Total non-current liabilities</b>	<b>607.5</b>	<b>98.2</b>	<b>147.2</b>	<b>120.7</b>	<b>92.0</b>	<b>109.9</b>	<b>82.2</b>	<b>1,257.8</b>
Interest-bearing debt	147.3	15.8	12.6	13.2	34.8	29.8	76.1	329.6
Fair value of derivatives	-	-	-	-	-	-	15.9	15.9
Trade and other payables	2.8	-	-	-	-	0.9	15.0	18.7
<b>Total current liabilities</b>	<b>150.1</b>	<b>15.8</b>	<b>12.6</b>	<b>13.2</b>	<b>34.8</b>	<b>30.7</b>	<b>107.0</b>	<b>364.3</b>
<b>Total liabilities</b>	<b>757.7</b>	<b>114.1</b>	<b>159.8</b>	<b>134.0</b>	<b>126.8</b>	<b>140.6</b>	<b>189.2</b>	<b>1,622.1</b>
<b>Total equity and liabilities</b>	<b>979.3</b>	<b>346.1</b>	<b>189.1</b>	<b>204.0</b>	<b>207.6</b>	<b>281.8</b>	<b>120.6</b>	<b>2,328.5</b>

## Geographical areas

Amounts in USD million	2023	2022
<b>Total revenue based on location of customer (registered business address):</b>		
Germany	21.0	21.0
Greece	17.5	13.9
Hong Kong	18.7	9.9
Marshall Islands	54.3	48.1
Norway	87.7	76.0
Switzerland	21.3	17.0
Other	16.6	11.4
<b>Total</b>	<b>237.0</b>	<b>197.3</b>

### Total vessels, equipment and intangibles by company location:

Norway	237.9	114.7
Malta	215.3	417.0
<b>Total</b>	<b>453.2</b>	<b>531.6</b>

## SIGNIFICANT CUSTOMERS

The Group had two customers that each accounted for more than 10% of the Group revenue in 2023. Recognised revenue related to these customers in 2023 was USD 31.6 million and USD 28.3 million. In 2022, the Group had three customers that each accounted for more than 10% of the Group revenue. Recognised revenue related to these customers in 2022 was USD 30.0 million, USD 21.7 million and USD 21.0 million.

## NOTE 6 OPERATING LEASE REVENUE

### Total operating lease revenue per segment:

Amounts in USD million	Container		Gas		2023	2022
	Vessels	Car Carriers	Carriers	Oil Service		
Ordinary lease revenue	9.6	14.7	21.1	12.4	57.9	71.1
Contingent rent	-	2.4	-	-	2.4	-1.4
Advances and deferred revenue	-	0.2	-	-	0.2	-0.9
<b>Total operating lease revenue</b>	<b>5.2</b>	<b>22.6</b>	<b>21.1</b>	<b>18.8</b>	<b>67.7</b>	<b>68.8</b>

### Future minimum lease payments under non-cancellable operating lease agreements per 31<sup>st</sup> December

Amounts in USD million	Container		Gas		2023	2022
	Vessels	Car Carriers	Carriers	Oil Service		
Duration less than one year	53.5	9.8	21.1	12.6	97.0	53.2
Duration between one and five years	112.2	12.8	46.7	60.7	232.4	154.2
Duration over five years	27.3	-	-	-	27.3	22.1
<b>Total future minimum lease payments</b>	<b>193.1</b>	<b>22.6</b>	<b>67.8</b>	<b>73.2</b>	<b>356.7</b>	<b>229.5</b>

#### CONTAINER VESSELS

The two container vessels delivered during 2023 and on lease contracts to ZIM Integrated Shipping Services Ltd. are classified as operating leases.

#### CAR CARRIERS

Ocean Yield's car carriers are on lease contracts classified as operating leases. The car carriers are all chartered to Höegh Autoliners. The vessels Höegh Jacksonville and Höegh Jeddah were delivered in 2014, and are chartered on 12-year bareboat charter contracts. A purchase option for the Höegh Jacksonville was declared during 2023 and the vessel is expected to be delivered in April 2024. The vessels Höegh Tracer and Höegh Trapper were delivered in 2016 and chartered on 12-year bareboat charter contracts. Both vessels were delivered to Höegh Autoliners during 2023 as a result of purchase options declared during 2022.

The charter hire for the vessels is subject to a SOFR related adjustment. The SOFR adjustment has not been included in the non-cancellable lease rental income reported in the table.

#### GAS CARRIERS

The lease agreements for the LEG carriers GasChem Beluga and GasChem Orca are classified as operating leases. GasChem Beluga was delivered in November 2016 and GasChem Orca was delivered in June 2017. The vessels were, from delivery, chartered on 15-year bareboat charters to the Hartmann Group, where the first ten years have a fixed

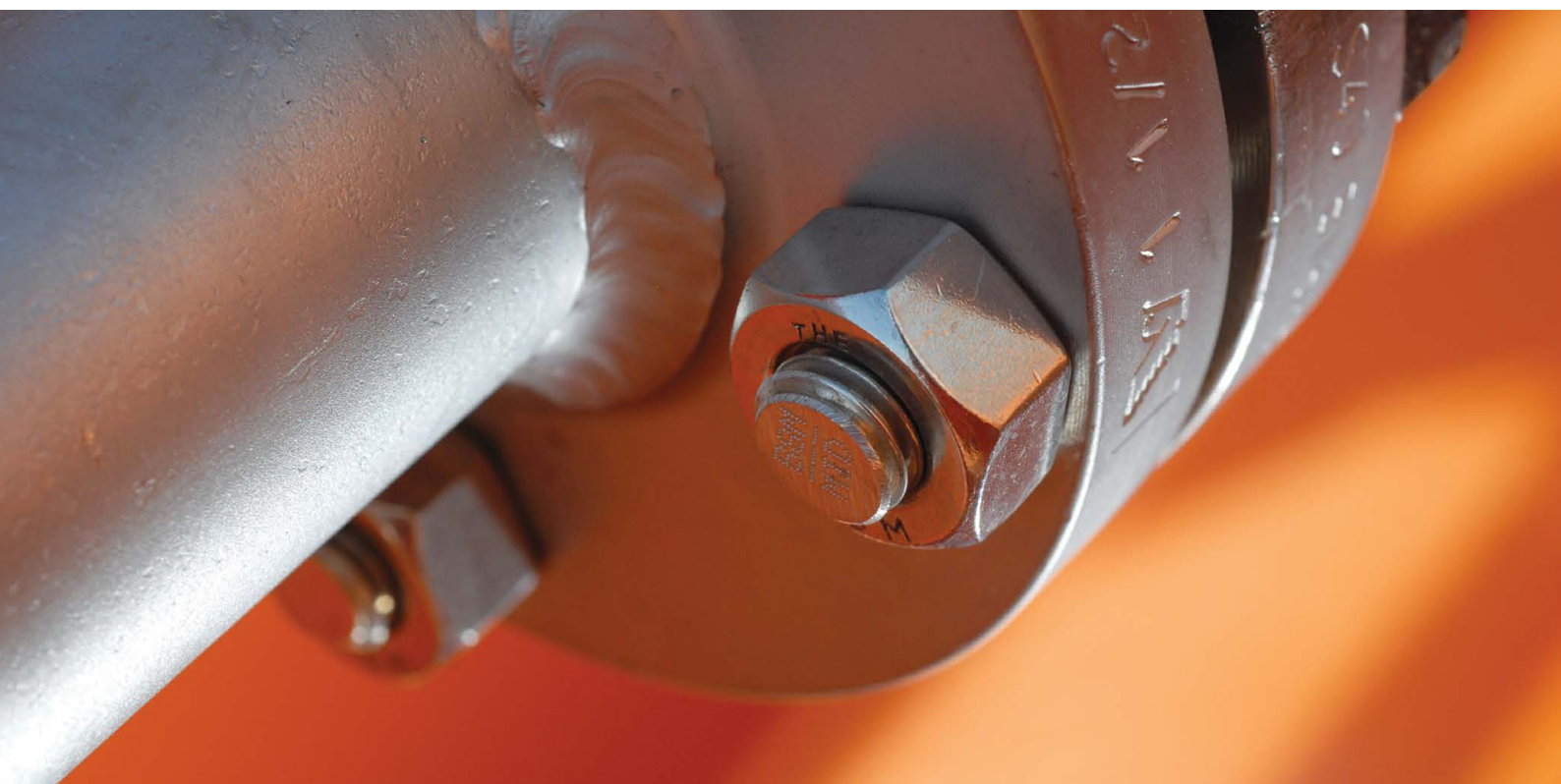
charter rate and the last five years a floating charter rate. The lease agreements do not contain any purchase options.

However, a purchase option and profit share agreement has been entered into between the parties, where Hartmann has the option to buy a fixed number of shares in the entities owning the vessels after ten years. As the charter hire in the last five years is floating, only the first ten years have been included in the non-cancellable lease rental income reported in the table.

#### OIL SERVICE

The Group has two AHTS vessels that up until November 2023 were on variable rate bareboat charters, classified as operating leases, to subsidiaries of Solstad Offshore ASA. The charter rate payable under the lease agreements was a reference rate equal to the average per vessel EBITDA in a pool of seven similar UT731 design vessels. The pro-contra settlement as a result of the pool exit is pending at the date of this report. In November 2023, the two vessels commenced new five-year bareboat charters to Viking Supply Ships AB classified as finance leases.

In June 2017 Ocean Yield acquired the two platform supply vessels NS Orla and NS Frayja, built in 2014. Both vessels are on long-term charters to Aker BP ASA until 2029. The agreements do not contain any contingent rent components and are classified as operating leases.



## NOTE 7 FINANCE LEASE REVENUE

### Total finance lease revenue per segment:

Amounts in USD million	Tankers	Container vessels	Gas Carriers	Dry Bulk Vessels	Oil Service	2023	2022
Finance lease revenue	44.7	9.6	2.1	7.0	18.1	81.4	85.9
Contingent rent	42.2	1.8	2.7	4.9	1.5	53.1	20.4
<b>Total finance lease revenue</b>	<b>86.9</b>	<b>11.3</b>	<b>4.8</b>	<b>11.9</b>	<b>19.6</b>	<b>134.6</b>	<b>106.3</b>

### Information about the Group's finance leases:

Vessel	Charter Guarantor	Charter end	Purchase options	Purchase obligation	SOFR adjustment
<b>Tankers</b>					
2 Chemical tankers	Navig8 Chemical Tankers Inc	2030/2031	Yes	No	Yes
1 Product tankers	Scorpio Tankers Inc	2029	Yes	No	Yes
2 Product tankers	Scorpio Tankers Inc	2031	Yes	Yes	Yes
2 Suezmax tankers	Okeanis Eco Tankers Corp	2021/2032	Yes	No	Yes
2 VLCC Crude tankers	Okeanis Eco Tankers Corp	2034	Yes	No	Yes
6 VLCC Crude tankers	International Seaways Inc	2031	Yes	Yes	Yes
3 Suezmax tankers	Nordic American Tankers Ltd	2028	Yes	Yes	Yes
2 Suezmax tankers	Nordic American Tankers Ltd	2032	Yes	Yes	Yes
1 Suezmax tanker	Nordic American Tankers Ltd	2031	Yes	Yes	Yes
2 Suezmax tankers	Euronav NV	2037/2038	Yes	Yes	Yes
<b>Container vessels</b>					
4 Container vessels	CMB N.V.	2030	Yes	Yes	Yes
<b>Gas carriers</b>					
1 Gas carrier	Navigator Holdings Ltd	2032	Yes	No	Yes
<b>Dry bulk vessels</b>					
2 Dry bulk vessels	Interlink Maritime Corp	2028	Yes	Yes	Yes
2 Dry bulk vessels	2020 Bulkers Ltd	2032	Yes	Yes	Yes
1 Dry bulk vessels	CMB N.V.	2035	Yes	No	Yes
<b>Oil Service</b>					
1 Offshore construction vessel	Akofs Offshore AS	2027	Yes	No	Yes
2 AHTS vessels	Viking Supply Ships AB	2029	Yes	Yes	Yes

## CHANGES IN FINANCE LEASE PORTFOLIO

### TANKERS

During 2023, the Company acquired a 2016-built Suezmax tanker, the Nordic Hawk, which subsequently commenced an eight-year bareboat charter to Nordic American Tankers Limited with a purchase obligation at the end of the charter period.

During 2023, the Company agreed to acquire two 2022-built Suezmax tankers with long-term sustainability-linked bareboat charters to guaranteed subsidiaries of Euronav NV. The bareboat charter rate has a variable element linked to the respective vessel's actual carbon emissions, incentivizing the charterer to keep emissions low. The charter agreements contain purchase obligations at the end of the charter period. The first vessel was delivered in December 2023 and the second vessel in January 2024.

During 2023, purchase options were declared for the Suezmax tankers Milos and Poliegos with delivery during the first half of 2024. The Company recorded a loss of 2.0 million in 2023 as a result of these lease modifications.

During 2022, the Company took delivery of two newbuild Suezmax tankers, the Nordic Hunter and Nordic Harrier, from Samsung Heavy Industries in South Korea. The vessels commenced 10-year bareboat charters to Nordic American Tankers Limited upon delivery. At the end of the lease term, the charterer has purchase obligations to acquire the vessels.

In 2022, Ardmore Shipping Corporation as charterer of the product tankers the Ardmore Defender and the Ardmore Dauntless exercised purchase options in the charter agreements for these two vessels. The Company received gross proceeds of about USD 38.0 million and recognised a profit of USD 0.9 million from the transactions.

In 2022, Scorpio Tankers Inc. declared the purchase options for the LR2 product tankers STI Supreme, STI Steadfast and STI Sanctity. The vessels were delivered during 2023 and the Company received gross proceeds of about USD 83.4 million from these transactions.

In 2022, Navig8 Chemical Tankers Inc. as charterer of the chemical tanker Navig8 Turquoise declared the purchase option for the vessel. The vessel was delivered during 2023 and the Company received gross proceeds of about USD 27.7 million from the transaction.

### CONTAINER VESSELS

In 2022, the lease agreements with CMB N.V. for four container vessels were amended whereby the lease term was extended and the lease outstanding amount was increased with USD 30.0 million in total. Due to the amendments a gain of USD 0.6 million was recognised in 2022.

### DRY BULK VESSELS

During 2023, Interlink Maritime Corporation, the charterer of the handysize dry-bulk vessel Interlink Amenity exercised a sales option in the charter agreement to sell the vessel to a third party. The Company received gross proceeds of about USD 13.7 million and recognised a profit of USD 1.1 million in 2023 from the sale. Also during 2023, the 2015-built vessels Interlink Sagacity and Interlink Priority were replaced with the 2017-built vessels Interlink Celerity and Interlink Fortuity in the charter agreements. There were no other changes to commercial terms of the charters. The vessels are bareboat chartered to Interlink until 2028.

During 2022, sales options in the charter agreements to sell the Interlink Dignity, Interlink Eternity and Interlink Activity were declared. The Company received gross proceeds of about USD 37.0 million and recognised a profit of USD 2.3 million in 2022 from these transactions.

In 2022, Louis Dreyfus Armateurs, the charterer of the handysize dry-bulk vessel La Fresnais, exercised a sales option in the charter agreement. The Company received gross proceeds of about USD 14.0 million and recognised a profit of USD 0.2 million in 2022 from this transaction.

### OIL SERVICE

During 2023, the two AHTS vessels Andreas Viking (previously named FAR Senator) and Odin Viking (previously named Normand Statesman) that traded on variable, market related rates in a pool with Solstad Offshore ASA, commenced new five-year bareboat charters to Viking Supply Ships AB. The charterparties contain purchase options during the charter period, and an obligation to purchase the vessels at the end of the charter term, if requested by Ocean Yield. A gain of USD 2.9 million was recorded as a result of the new lease.

### SOFR ADJUSTMENTS

The charter hire in most of the Group's lease agreements is subject to a SOFR related adjustment. The SOFR adjustments have not been included in the calculation of the finance lease receivables.

### OTHER CHARTERPARTY CLAUSES

Certain of the lease agreements contain clauses where the counterparty has the right to sell the vessel to a third party. If such clause is exercised, the counterparty will repay the outstanding amount of the lease plus a premium.

The net finance lease receivables as of 31st December 2023 were as follows:

Amounts in USD million	Tankers	Container vessels	Gas Carriers	Dry Bulk Vessels	Oil Service	Total
<i>Gross finance lease receivable</i>						
Less than one year	179.0	18.3	7.0	14.9	38.1	257.3
One to two years	109.0	17.6	6.8	14.0	39.0	186.5
Two to three years	106.8	17.0	6.6	13.6	39.0	182.9
Three to four years	104.5	16.3	6.3	13.3	31.7	172.2
Four to five years	98.2	15.7	6.1	10.9	41.6	172.5
More than five years	269.3	27.1	21.5	46.1	-	364.0
Unguaranteed residual values	246.2	13.4	4.9	35.8	37.7	338.0
<b>Gross finance lease receivables</b>	<b>1,113.0</b>	<b>125.4</b>	<b>59.3</b>	<b>148.7</b>	<b>227.0</b>	<b>1,673.3</b>
Less: Unearned finance income	-	-	-	-	-	-
<b>Total finance lease receivables</b>	<b>1,113.0</b>	<b>125.4</b>	<b>59.3</b>	<b>148.7</b>	<b>227.0</b>	<b>1,673.3</b>
<i>Present value of minimum lease payments</i>						
Less than one year	176.1	17.8	6.8	14.5	36.7	251.9
One to two years	101.4	16.3	6.3	12.9	35.1	172.1
Two to three years	94.8	15.0	5.9	11.9	32.7	160.2
Three to four years	88.5	13.7	5.4	11.1	25.0	143.7
Four to five years	79.4	12.5	5.0	8.8	30.8	136.5
More than five years	210.7	20.2	15.8	32.5	-	279.2
Unguaranteed residual values	156.6	9.5	3.3	23.9	24.3	217.6
<b>Total finance lease receivables</b>	<b>907.4</b>	<b>105.0</b>	<b>48.6</b>	<b>115.6</b>	<b>184.6</b>	<b>1,361.2</b>
Pre-delivery instalments	-	-	-	-	-	-
<b>Total finance lease receivables</b>	<b>907.4</b>	<b>105.0</b>	<b>48.6</b>	<b>115.6</b>	<b>184.6</b>	<b>1,361.2</b>

The net finance lease receivables as of 31st December 2022 were as follows:

Amounts in USD million	Tankers	Container vessels	Gas Carriers	Dry Bulk Vessels	Oil Service	Total
<i>Gross finance lease receivable</i>						
Less than one year	222.1	18.9	7.2	16.3	29.1	293.6
One to two years	103.6	18.3	7.0	15.7	29.1	173.8
Two to three years	101.8	17.6	6.8	15.5	29.1	170.7
Three to four years	100.0	17.0	6.6	15.3	29.1	167.9
Four to five years	98.3	16.3	6.3	15.0	21.7	157.6
More than five years	337.2	42.8	27.6	104.8	-	512.4
Unguaranteed residual values	191.4	13.4	4.9	3.9	57.7	271.4
<b>Gross finance lease receivables</b>	<b>1,154.5</b>	<b>144.3</b>	<b>66.5</b>	<b>186.4</b>	<b>195.7</b>	<b>1,747.4</b>
Less: Unearned finance income	(190.3)	(25.9)	(13.0)	(49.7)	(67.2)	(346.1)
<b>Total finance lease receivables</b>	<b>964.2</b>	<b>118.4</b>	<b>53.5</b>	<b>136.7</b>	<b>128.5</b>	<b>1,401.3</b>
<i>Present value of minimum lease payments</i>						
Less than one year	219.4	18.4	7.0	15.8	27.0	287.6
One to two years	96.3	17.0	6.5	14.5	36.3	170.6
Two to three years	90.0	15.5	6.1	13.5	16.2	141.3
Three to four years	84.2	14.2	5.6	12.6	13.5	130.2
Four to five years	78.8	13.0	5.2	11.7	7.5	116.2
More than five years	270.1	31.1	19.9	66.4	(1.5)	386.0
Unguaranteed residual values	125.5	9.1	3.2	2.2	29.5	169.4
<b>Total finance lease receivables</b>	<b>964.2</b>	<b>118.4</b>	<b>53.5</b>	<b>136.7</b>	<b>128.5</b>	<b>1,401.3</b>
Pre-delivery instalments	-	-	-	-	-	-
<b>Total finance lease receivables</b>	<b>964.2</b>	<b>118.4</b>	<b>53.5</b>	<b>136.7</b>	<b>128.5</b>	<b>1,401.3</b>

## NOTE 8 OTHER INCOME AND OTHER OPERATING EXPENSES

Amounts in USD million	2023	2022
Gains from sale of vessels	5.7	-
Gains from lease modifications	6.6	4.1
Rental and other income	0.3	0.1
<b>Other income</b>	<b>12.7</b>	<b>4.2</b>

For more information on vessels accounted for as operating and finance leases that have been sold or contractually modified, see notes 6 and 7, respectively.

## NOTE 9 ADMINISTRATIVE EXPENSES

Administrative expenses consisted of the following:

Amounts in USD million	2023	2022
Salaries	5.1	6.1
Social security contributions	0.8	0.7
Pension costs	0.2	0.1
Fees to external advisors	4.7	1.6
Fees to auditors	0.4	0.4
Other administrative expenses	1.2	1.4
<b>Total</b>	<b>12.4</b>	<b>10.4</b>
Average number of employees	15	11
<b>Number of employees at year-end</b>	<b>15</b>	<b>15</b>
<b>Geographical split of number of employees per region</b>		
Norway	10	10
Malta	5	5
<b>Total</b>	<b>15</b>	<b>15</b>

The Norwegian companies in the Group are subject to the Norwegian law of mandatory occupational pension and the Group meets the requirements of this legislation.

Fees to auditors of the Ocean Yield Group were as follows:

Amounts in USD thousand	Statutory audit	Other assurance services	Tax advisory services	Other non-audit services	2023	2022
Ocean Yield AS	200.5	-	-	-	200.5	228.5
Subsidiaries	203.6	-	-	-	203.6	219.8
<b>Total</b>	<b>404.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>404.1</b>	<b>448.3</b>

The figures are exclusive of VAT.

## NOTE 10 FINANCIAL INCOME AND FINANCIAL EXPENSES

Financial income and expense recognised in profit or loss:

Amounts in USD million	2023	2022
Interest income on bank deposits and receivables at amortised cost	13.4	2.8
Other financial income	-	0.9
<b>Total financial income</b>	<b>13.4</b>	<b>3.7</b>
Interest expense on financial obligations measured at amortised cost	-113.5	-71.0
Other financial expenses	-2.8	-1.3
<b>Total financial expenses</b>	<b>-116.2</b>	<b>-72.3</b>



## NOTE 11 INCOME TAX EXPENSE

Amounts in USD million	2023	2022
Current tax expense:		
Tax expense current year	0.6	-0.9
<b>Total current tax expense</b>	<b>0.6</b>	<b>-0.9</b>
Deferred tax expense:		
Origination and reversal of temporary differences	-1.0	-1.4
<b>Total deferred tax expense (-)/benefit (+)</b>	<b>-1.0</b>	<b>-1.4</b>
<b>Total income tax expense (-)/benefit (+)</b>	<b>-0.5</b>	<b>-2.4</b>

### Temporary differences consist of

Vessels and other fixed assets	268.1	186.1
Withholding tax	-2.9	-45.9
Other differences	-92.3	-64.7
<b>Total</b>	<b>172.9</b>	<b>75.6</b>
Tax losses	-395.9	-307.8
<b>Deferred tax base assets</b>	<b>-223.1</b>	<b>-232.2</b>
Deferred tax assets	81.2	79.6
Deferred tax assets and liabilities not recognised	-90.6	-88.0
<b>Net deferred tax assets and liabilities</b>	<b>-9.4</b>	<b>-8.4</b>

### Net deferred tax assets and liabilities are recorded as follows:

Deferred tax assets	-	-
Deferred tax liabilities	-9.4	-8.4
<b>Net deferred tax assets and liabilities</b>	<b>-9.4</b>	<b>-8.4</b>

Estimates of future taxable profits show that the Group is not likely to utilise the tax losses carried forward, and a deferred tax asset has therefore not been recognised.

The tax losses carried forward are mainly related to Norwegian entities, and has no expiration date. Withholding tax paid in India on revenue related to Dhirubhai-1 is reported in the temporary differences in the table in the line "Withholding tax". This can be deducted from tax payables in Norway for

the next three years. However, estimates of future taxable profits show that the Group is not likely to utilize these tax credits, and no deferred tax asset has been recognised related to the potential tax benefit from withholding tax paid in India.

The operations of the Group's bareboat fleet is handled from Malta. As a consequence most of the Group's income is subject to corporate taxation in Malta.

### Reconciliation of effective tax rate

Amounts in USD million	2023	2022
<b>Net profit before tax</b>	<b>93.0</b>	<b>93.6</b>
Nominal tax rate in Norway (22%)	-20.5	-20.6
Effect of tax rates in foreign jurisdictions	5.9	4.4
Revenue not subject to tax	0.6	0.1
Expenses not deductible for tax purposes	-6.9	-0.5
Tax losses for which no deferred income tax asset was recognised	-10.4	-11.1
Companies within tonnage tax legislation	0.3	-
Other differences	30.5	25.3
<b>Total income tax expense (-)/benefit (+)</b>	<b>-0.5</b>	<b>-2.4</b>

The tax figures are based on preliminary estimates of non-taxable income, non-tax deductible items and temporary differences between the financial accounts and the tax accounts. The final result will be calculated in relation to the tax return and may differ from the estimates above.

**The tax (charge)/credit relating to components of other comprehensive income was as follows:**

Amounts in USD million	2023			2022		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Other comprehensive income from investments in associates	-8.8	-	-8.8	42.2	-	42.2
<b>Other comprehensive income</b>	<b>-8.8</b>	<b>-</b>	<b>-8.8</b>	<b>42.2</b>	<b>-</b>	<b>42.2</b>

**The income tax (charged)/credited directly to equity during the year was as follows:**

Amounts in USD million	2023			2022		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Dividends on hybrid capital	-8.6	-	-8.6	-10.5	-	-10.5
<b>Total</b>	<b>-8.6</b>	<b>-</b>	<b>-8.6</b>	<b>-10.5</b>	<b>-</b>	<b>-10.5</b>

**Change in net deferred tax assets and liabilities was as follows:**

2023						
Amounts in USD million	Net balance 1st January	Recognised in profit and loss	Recognised in other comprehensive income		Net balance 31st December	
			comprehensive income	Recognised directly in equity		
Vessels and other fixed assets	-12.4	-3.8	-	-	-16.1	
Withholding tax	10.1	-9.5	-	-	0.6	
Other differences	14.2	-4.6	-	-	9.7	
Tax losses	67.7	19.4	-	-	87.1	
Deferred tax assets and liabilities not recognised	-88.0	-2.6	-	-	-90.6	
<b>Net deferred tax assets (+) and liabilities (-)</b>	<b>-8.4</b>	<b>-1.0</b>	<b>-</b>	<b>-</b>	<b>-9.4</b>	

2022						
Amounts in USD million	Net balance 1st January	Recognised in profit and loss	Recognised in other comprehensive income		Net balance 31st December	
			comprehensive income	Recognised directly in equity		
Vessels and equipment	-10.9	-1.5	-	-	-12.4	
Withholding tax	11.3	-1.2	-	-	10.1	
Other differences	13.4	0.8	-	-	14.2	
Tax losses	56.8	10.9	-	-	67.7	
Deferred tax assets and liabilities not recognised	-77.5	-10.5	-	-	-88.0	
<b>Net deferred tax assets (+) and liabilities (-)</b>	<b>-7.0</b>	<b>-1.4</b>	<b>-</b>	<b>-</b>	<b>-8.4</b>	

## NOTE 12 VESSELS AND OTHER FIXED ASSETS

Amounts in USD million	Vessels				Other fixed assets	Total
	Container vessels	Car Carriers	Gas Carriers	Oil Service	Buildings	
<b>Cost balance:</b>						
<b>1st January 2022</b>	-	<b>300.7</b>	<b>168.9</b>	<b>245.5</b>	<b>3.5</b>	<b>718.6</b>
Capital expenditure	-	-	-	1.0	-	1.0
Disposals	-	-45.0	-	-	-	-45.0
<b>31st December 2022</b>	-	<b>255.7</b>	<b>168.9</b>	<b>246.6</b>	<b>3.5</b>	<b>674.6</b>
Capital expenditure	2.5	-	-	3.4	-	5.9
Disposals	-	-127.6	-	-	-	-127.6
Reclassification from newbuildings	168.6	-	-	-	-	168.6
Reclassification to finance lease	-	-	-	-144.5	-	-144.5
<b>31st December 2023</b>	<b>171.1</b>	<b>128.1</b>	<b>168.9</b>	<b>105.4</b>	<b>3.5</b>	<b>577.0</b>
<b>Accumulated depreciation and impairment losses:</b>						
<b>1st January 2022</b>	-	<b>-77.6</b>	<b>-27.2</b>	<b>-88.5</b>	<b>-1.2</b>	<b>-194.5</b>
Depreciation	-	-9.7	-5.5	-11.9	-0.5	-27.8
Disposals	-	23.0	-	-	-	23.0
<b>31st December 2022</b>	-	<b>-64.4</b>	<b>-32.7</b>	<b>-100.4</b>	<b>-1.7</b>	<b>-199.3</b>
Depreciation	-1.2	-5.8	-5.8	-11.5	-0.5	-24.7
Reclassification to finance lease	-	-	-	73.1	-	73.1
Disposals	-	27.3	-	-	-	27.3
<b>31st December 2023</b>	<b>-1.2</b>	<b>-42.9</b>	<b>-38.5</b>	<b>-38.9</b>	<b>-2.1</b>	<b>-123.7</b>
<b>Carrying amount:</b>						
<b>31st December 2022</b>	-	<b>191.3</b>	<b>136.2</b>	<b>146.1</b>	<b>1.8</b>	<b>475.4</b>
<b>31st December 2023</b>	<b>170.0</b>	<b>85.2</b>	<b>130.4</b>	<b>66.6</b>	<b>1.3</b>	<b>453.4</b>

### NEW VESSELS

During 2023, the Company took delivery of the newbuilding container vessels Danube and Ganges which both commenced seven-year time-charters to ZIM Integrated Shipping Services Ltd.

### DISPOSALS

In 2022, Höegh Autoliners Shipping AS declared options in the charter agreements for the two car carriers Höegh Tracer and Höegh Trapper, to purchase the vessels for USD 53.2 million, respectively. During 2023, both vessels were delivered and the Company recorded a gain of approximately USD 5.8 million from these transactions. Further, in 2023 Höegh Autoliners Shipping AS declared the purchase option for the Höegh Jacksonville with delivery in 2024.

### IMPAIRMENT TEST

The Group has as of year-end 2023 assessed whether there are any indications of impairment for vessels owned or portfolio of newbuildings. The assessment was made by considering various indicators, both external and internal. As a result of this assessment there were no indicators triggering an impairment test as of December 31, 2023.

## NOTE 13 NEWBUILDINGS

Amounts in USD million	Tankers	Container vessels	Car carriers	Gas carriers	Dry bulk vessels	Total
<b>1st January 2022</b>	-	-	-	-	-	-
Capital expenditure	-	39.2	-	16.3	-	55.5
Interest capitalised on newbuildings	-	0.4	-	0.3	-	0.7
<b>31st December 2022</b>	-	<b>39.6</b>	-	<b>16.6</b>	-	<b>56.2</b>
Capital expenditure	32.6	153.8	-	16.6	-	203.1
Interest capitalised on newbuildings	0.5	3.2	-	2.1	-	5.8
Transfer to Vessels and other fixed assets	-	-168.6	-	-	-	-168.6
<b>31st December 2023</b>	<b>33.1</b>	<b>28.0</b>	-	<b>35.3</b>	-	<b>96.4</b>

### NEWBUILDINGS

As of 31 December 2023, the Company has four LR1 product tankers newbuildings that upon delivery will commence 15-year bareboat charters to guaranteed subsidiaries of Braskem S.A. Ten percent of the gross commitments will be paid by the charterer to Ocean Yield upon each payment to the yard. In addition, newbuildings included in the 'Container Vessels' segment, relate to one 5,500 TEU newbuilding container vessel with seven-year time-charter to ZIM Integrated Shipping Services Ltd. Two newbuilding container vessels were delivered during 2023. Further, the Company has two newbuilding ethylene gas carriers with 15-year bareboat charters to Braskem S.A.

Further, the Company has commitments for nine newbuilding Newcastlemax dry bulk vessels. Pre-delivery financing has been provided to the charterer and payments made under these agreements are presented as interest-bearing receivables. The table below provides an overview of the Company's contractual obligations related to its newbuilding program.

In addition to its newbuilding program, as of 31 December 2023, the Company had commitments of USD 76.9 million related to the acquisition of the second-hand Suezmax vessel that was delivered in January 2024. See also Note 7 Finance leases.

Amounts in USD million	Tankers	Container vessels	Gas carriers	Dry bulk vessels	Total
Total (gross) contractual obligations	217.3	83.7	166.0	522.0	989.0
Paid and capitalised instalments	32.6	26.2	33.2	84.2	176.2
<b>Remaining payments as of 31 December 2023</b>	<b>184.7</b>	<b>57.5</b>	<b>132.8</b>	<b>437.8</b>	<b>812.8</b>

## NOTE 14 INVESTMENTS IN ASSOCIATES

### BOX HOLDINGS INC.

As of 31 December 2023, Ocean Yield owned 49.9% in BOX Holdings Inc, where a company controlled by Quantum Pacific Shipping is the largest shareholder.

Six vessels with capacity of about 19,500 TEU are chartered to a major European container line on 15-year bareboat charters. Four of the vessels were delivered in 2016, and two vessels were delivered in 2017. In 2021 BOX Holdings Inc entered into an agreement to acquire one dual-fuel LNG newbuilding container vessel with 18-year bareboat charter to a major European container line. The vessel, with a capacity of 15,300 TEU, was delivered in Q4 2022.

In 2023 Ocean Yield received USD 13.9 million in dividends (USD 50.7 million in distributions in 2022) from BOX Holdings Inc.

To manage some of the interest rate risk, BOX Holdings Inc has entered into interest rate swaps related to vessel financings, where floating rate payments have been swapped to fixed rate payments. Box Holdings Inc applies hedge accounting and Ocean Yield records its proportionate share of Box Holdings Inc's hedge reserve in other comprehensive income.

### OY HOLDING LR2 LIMITED

Ocean Yield owns 50% of the shares in OY Holding LR2 Limited. As of 31 December 2023 OY Holding LR2 Limited owned one LR2 product tanker on long-term charter to Navig8 Group. The vessel is financed with secured debt. Ocean Yield guarantees the senior secured bank debt against a guarantee fee. During 2023 the LR2 tanker Navig8 Precision was sold and the purchase option for Navig8 Prestige JKB declared, with delivery in January 2024.



Amounts in USD million			
Investment	BOX Holdings Inc	OY Holding LR2 Limited	Total
Country	Marshall Islands	Malta	
Ownership and voting rights year-end	49.9 %	50.0 %	
<i>Carrying amount of investment in associates:</i>			<b>31.12.2023</b>
Non-currents assets	870.9	0.5	871.4
Current assets	68.2	53.0	121.2
Non-current liabilities	-570.8	-0.3	-571.2
Current liabilities	-56.7	-49.4	-106.1
<b>Net assets (100%)</b>	<b>311.6</b>	<b>3.7</b>	<b>315.3</b>
<b>Share of net assets</b>	<b>155.5</b>	<b>1.9</b>	<b>157.3</b>
<i>Adjustments to carrying value of investment:</i>			
Finance lease receivables	31.8	-	31.8
Adjustments to interest-bearing debt	-1.3	-	-1.3
<b>Carrying amount of investments in associates</b>	<b>186.0</b>	<b>1.9</b>	<b>187.8</b>
<i>Income from investment in associates:</i>			<b>2023</b>
Operating revenues	80.4	5.4	85.8
Operating expenses	-1.2	-0.2	-1.4
Financial items	-31.0	-3.6	-34.6
Income tax expense	-	-0.1	-0.1
<b>Net profit (100%)</b>	<b>48.3</b>	<b>1.5</b>	<b>49.7</b>
<b>Share of net profit</b>	<b>24.1</b>	<b>0.7</b>	<b>24.8</b>
Adjustments to finance lease revenue	-4.4	-	-4.4
Adjustments to interest-bearing debt	1.7	-	1.7
<b>Income from investment in associates</b>	<b>21.3</b>	<b>0.7</b>	<b>22.0</b>
<i>Total comprehensive income from investment in associates:</i>			<b>2023</b>
Net profit (100%)	48.3	1.5	49.7
Other comprehensive income	-15.3	-	-15.3
<b>Total comprehensive income</b>	<b>33.0</b>	<b>1.5</b>	<b>34.5</b>
<b>Share of comprehensive income</b>	<b>16.5</b>	<b>0.7</b>	<b>17.2</b>
Adjustments to finance lease revenue	-4.4	-	-4.4
Amortisation of upfront fees	0.5	-	0.5
<b>Total comprehensive income from investment in associates</b>	<b>12.6</b>	<b>0.7</b>	<b>13.3</b>

## Amounts in USD million

	BOX Holdings Inc	OY Holding LR2 Limited	Total
Investment			
Country	Marshall Islands	Malta	
Ownership and voting rights year-end	49.9 %	50.0 %	
<i>Carrying amount of investment in associates:</i>			<b>31.12.2022</b>
Non-currents assets	920.9	48.8	969.7
Current assets	68.2	9.8	78.0
Non-current liabilities	-626.1	-46.8	-672.9
Current liabilities	-56.5	-5.7	-62.1
<b>Net assets (100%)</b>	<b>306.5</b>	<b>6.1</b>	<b>312.7</b>
<b>Share of net assets</b>	<b>153.0</b>	<b>3.1</b>	<b>156.0</b>
<i>Adjustments to carrying value of investment:</i>			
Finance lease receivables	36.2	-	36.2
Adjustments to interest-bearing debt	-1.8	-	-1.8
<b>Carrying amount of investments in associates</b>	<b>187.4</b>	<b>3.1</b>	<b>190.5</b>
<i>Income from investment in associates:</i>			<b>2022</b>
Operating revenues	74.0	5.6	79.6
Operating expenses	-2.8	-0.1	-2.9
Financial items	-32.4	-3.5	-35.9
Income tax expense	-	-0.1	-0.1
<b>Net profit (100%)</b>	<b>38.8</b>	<b>1.9</b>	<b>40.7</b>
<b>Share of net profit</b>	<b>19.3</b>	<b>1.0</b>	<b>20.3</b>
Adjustments to finance lease revenue	-4.4	-	-4.4
Adjustments to interest-bearing debt	2.0	-	2.0
<b>Income from investment in associates</b>	<b>17.0</b>	<b>1.0</b>	<b>18.0</b>
<i>Total comprehensive income from investment in associates:</i>			<b>2022</b>
Net profit (100%)	38.8	1.9	40.7
Other comprehensive income	84.6	-	84.6
<b>Total comprehensive income</b>	<b>123.4</b>	<b>1.9</b>	<b>125.3</b>
<b>Share of comprehensive income</b>	<b>61.6</b>	<b>1.0</b>	<b>62.5</b>
Adjustments to finance lease revenue	-4.4	-	-4.4
Amortisation of upfront fees	2.0	-	2.0
<b>Total comprehensive income from investment in associates</b>	<b>59.2</b>	<b>1.0</b>	<b>60.2</b>

## NOTE 15 INTEREST-BEARING RECEIVABLES, RESTRICTED CASH AND OTHER NON-CURRENT ASSETS

Amounts in USD million	2023	2022
Restricted cash deposits	-	13.1
Finance lease receivables	1,109.3	1,113.8
Other interest-bearing receivables	84.2	64.0
Other non-current assets	0.5	1.5
<b>Interest-bearing receivables, restricted cash and other non-current assets</b>	<b>1,194.0</b>	<b>1,192.4</b>
Finance lease receivables, current portion	251.9	287.5
<b>Total interest-bearing receivables, restricted cash and other non-current assets</b>	<b>1,445.9</b>	<b>1,479.9</b>

The restricted cash deposits in 2022 are related to several of the Group's cross currency interest rate swaps, where a security deposit is required if the negative value of the swaps exceeds certain thresholds. In 2023 the amount was insignificant. For more information regarding the lease agreements and calculations of the net finance lease receivables, see note 7.

The USD 84.2 million (USD 64.0 million in 2022) in interest-bearing receivables relates to a predelivery financing for nine Newcastlemax newbuildings.

## NOTE 16 EARNINGS PER SHARE, DIVIDEND PER SHARE, PAID-IN CAPITAL AND HYBRID CAPITAL

### Earnings per share

#### Calculation of profit to equity holders of the parent:

Amounts in USD million	2023	2022
Net profit for the period	92.5	91.2
Dividends on hybrid capital	8.6	10.5
<b>Net profit attributable to equity holders of the parent</b>	<b>83.9</b>	<b>80.7</b>
Ordinary shares issued at 31st December	175,286,575	175,286,575
Weighted average number of shares (basic and diluted)	175,286,575	175,286,575
Basic and diluted earnings per share (USD)	0.48	0.46

### Dividends

Amounts in USD million	2023	2022
Total dividend paid	30.0	80.0
Total dividend paid per share	0.17	0.46



## Paid in capital

At 31<sup>st</sup> December 2023 Ocean Yield AS' share capital consisted of the following:

	in NOK	in USD
Number of ordinary shares	175,286,575	175,286,575
Par value	10.0	1.5
<b>Total par value (million)</b>	<b>1,752.9</b>	<b>271.0</b>

All shares have equal voting rights and are entitled to dividends.

### THE LARGEST SHAREHOLDERS

Ocean Yield AS is owned 100% by Octopus BidCo AS. Octopus BidCo AS is a company owned by funds advised by KKR. Ocean Yield AS is part of the Octopus HoldCo 1 s.a.rl.'s consolidated financial statements. Octopus HoldCo 1 s.a.rl. is located in Luxembourg.

### CURRENT BOARD AUTHORISATIONS

At the Annual General Meeting, held on 24 April 2023, Ocean Yield AS's shareholder gave the board an authorisation to resolve and declare dividends based on the Company's annual financial statements for 2022. The authorisation is valid until the annual general meeting in 2024.

### HYBRID CAPITAL

In August 2019, the Company issued a perpetual hybrid callable bond ("Hybrid Bond") of USD 125.0 million, carrying a coupon of 3 months SOFR + CAS + 6.75% p.a. with quarterly interest payments. The Hybrid Bond is accounted for as equity and is subordinated to the Company's outstanding senior unsecured bonds. During 2023, the Company has bought back USD 94.8 million in the Hybrid Bond.



## NOTE 17 GROUP COMPANIES

Ocean Yield AS is a holding company with financial investments and is the parent company in the Ocean Yield Group. The operations of the Group's bareboat fleet is managed

from Malta and the vessel owning companies are owned and controlled by Ocean Yield Malta Limited. As of year-end 2023 the Group consisted of the subsidiaries provided in the table below. Companies owned directly by Ocean Yield AS are highlighted in bold text.

	Group's ownership in %	Group's share of votes in %	Business address	
			City location	Country
<b>MPC Ecobox Opco 1 AS</b>	<b>100.0</b>	<b>100.0</b>	<b>Lysaker</b>	<b>Norway</b>
<b>MPC Ecobox Opco 2 AS</b>	<b>100.0</b>	<b>100.0</b>	<b>Lysaker</b>	<b>Norway</b>
<b>MPC Ecobox Opco 4 AS</b>	<b>100.0</b>	<b>100.0</b>	<b>Lysaker</b>	<b>Norway</b>
<b>AFP AS</b>	<b>100.0</b>	<b>100.0</b>	<b>Lysaker</b>	<b>Norway</b>
ACFP AS	100.0	100.0	Lysaker	Norway
<b>F-Shiplease AS</b>	<b>100.0</b>	<b>100.0</b>	<b>Lysaker</b>	<b>Norway</b>
<b>Ocean Yield Malta Limited</b>	<b>100.0</b>	<b>100.0</b>	<b>Floriana</b>	<b>Malta</b>
Ocean Yield Advisors AS	100.0	100.0	Lysaker	Norway
OCY Amazon Limited	100.0	100.0	Floriana	Malta
OCY Antwerp Limited	100.0	100.0	Floriana	Malta
OCY Aquarius Limited	100.0	100.0	Floriana	Malta
OCY Aronaldo Limited	100.0	100.0	Floriana	Malta
OCY Atlantic Limited	100.0	100.0	Floriana	Malta
OCY Aurora Limited	100.0	100.0	Floriana	Malta
OCY Azotic Limited	100.0	100.0	Floriana	Malta
OCY Barcelona Limited	100.0	100.0	Floriana	Malta
OCY Beluga Limited	100.0	100.0	Floriana	Malta
OCY Brugge Limited	100.0	100.0	Floriana	Malta
OCY Brussel Limited	100.0	100.0	Floriana	Malta
OCY Cabo Limited	100.0	100.0	Floriana	Malta
OCY Cape Henry Limited	100.0	100.0	Floriana	Malta
OCY Cedar Limited	100.0	100.0	Floriana	Malta
OCY Charleroi Limited	100.0	100.0	Floriana	Malta
OCY Cygnus Limited	100.0	100.0	Floriana	Malta
OCY Cypress Limited	100.0	100.0	Floriana	Malta
OCY Detroit Limited	100.0	100.0	Floriana	Malta
OCY Diamond Head Limited	100.0	100.0	Floriana	Malta
OCY Frayja Limited	100.0	100.0	Floriana	Malta
OCY Future 1 Limited	100.0	100.0	Floriana	Malta
OCY Future 2 Limited	100.0	100.0	Floriana	Malta
OCY Gallantry Limited	100.0	100.0	Floriana	Malta
OCY Genoa Limited	100.0	100.0	Floriana	Malta
OCY Gent Limited	100.0	100.0	Floriana	Malta
OCY Guard Limited	100.0	100.0	Floriana	Malta
OCY Hendricks Limited	100.0	100.0	Floriana	Malta
OCY Iguacu Limited	100.0	100.0	Floriana	Malta
OCY Innuksuac 3 Limited	100.0	100.0	Floriana	Malta
OCY Innuksuac 4 Limited	100.0	100.0	Floriana	Malta
OCY Jacksonville Limited	100.0	100.0	Floriana	Malta
OCY Jeddah Limited	100.0	100.0	Floriana	Malta
OCY Knight 1 Limited	100.0	100.0	Floriana	Malta
OCY Knight 2 Limited	100.0	100.0	Floriana	Malta

	Group's ownership in %	Group's share of votes in %	Business address	
			City location	Country
OCY Knokke Limited	100.0	100.0	Floriana	Malta
OCY Liberty Limited	100.0	100.0	Floriana	Malta
OCY Libra Limited	100.0	100.0	Floriana	Malta
OCY Liege Limited	100.0	100.0	Floriana	Malta
OCY Livorno Limited	100.0	100.0	Floriana	Malta
OCY Mdina Limited	100.0	100.0	Floriana	Malta
OCY Milos Limited	100.0	100.0	Floriana	Malta
OCY Mineral Qingdao Limited	100.0	100.0	Floriana	Malta
OCY Mosta Limited	100.0	100.0	Floriana	Malta
OCY NAT 1 Limited	100.0	100.0	Floriana	Malta
OCY NAT 2 Limited	100.0	100.0	Floriana	Malta
OCY NAT 3 Limited	100.0	100.0	Floriana	Malta
OCY Orca Limited	100.0	100.0	Floriana	Malta
OCY Orla Limited	100.0	100.0	Floriana	Malta
OCY Poliegos Limited	100.0	100.0	Floriana	Malta
OCY Rabat Limited	100.0	100.0	Floriana	Malta
OCY Seoul Limited	100.0	100.0	Floriana	Malta
OCY Shanghai Limited	100.0	100.0	Floriana	Malta
OCY Sliema Limited	100.0	100.0	Floriana	Malta
OCY Spa Limited	100.0	100.0	Floriana	Malta
OCY Symphony Limited	100.0	100.0	Floriana	Malta
OCY Tarxien Limited	100.0	100.0	Floriana	Malta
OCY Tellus Limited	100.0	100.0	Floriana	Malta
OCY Triton Limited	100.0	100.0	Floriana	Malta
OCY Tybee Limited	100.0	100.0	Floriana	Malta
OCY Valletta Limited	100.0	100.0	Floriana	Malta
OCY Wayfarer Limited	100.0	100.0	Floriana	Malta
OY Holding Suez Limited	100.0	100.0	Floriana	Malta

## NOTE 18 FOREIGN CURRENCY EXCHANGE RATES

In the consolidated accounts of Ocean Yield, the following exchange rates have been applied in translating the accounts of subsidiaries with functional currency other than USD.

Country/Region	Currency	Average rate 2023	Rate at 31 Dec. 2023	Average rate 2022	Rate at 31 Dec. 2022
Norway	USD/NOK	10.56	10.17	9.62	9.86

## NOTE 19 INTEREST-BEARING DEBT

### Change in the Group's interest-bearing debt:

Amounts in USD Million	Tankers	Container vessels	Car Carriers	Gas Carriers	Dry Bulk Vessels	Oil Service	Unsecured bond debt	2023	2022
<b>Interest-bearing debt 1st January</b>	<b>749.3</b>	<b>112.5</b>	<b>156.5</b>	<b>128.3</b>	<b>120.7</b>	<b>136.7</b>	<b>151.7</b>	<b>1,555.6</b>	<b>1,618.9</b>
New debt	233.4	115.6	-	-	32.3	98.9	141.3	621.5	184.1
Instalments	-193.4	-18.4	-93.3	-13.2	-49.8	-91.2	-112.4	-571.8	-230.9
Capitalisation of loan costs, net of amortisation	0.9	-0.4	0.4	0.3	0.4	0.0	-1.1	0.6	1.2
Effect of movement in foreign exchange	-	-	-	-	-	-	-5.1	-5.1	-17.6
<b>Interest-bearing debt 31st December</b>	<b>790.2</b>	<b>209.3</b>	<b>63.6</b>	<b>115.4</b>	<b>103.6</b>	<b>144.5</b>	<b>174.3</b>	<b>1,600.8</b>	<b>1,555.6</b>
Long-term	688.9	172.6	57.5	101.8	41.9	115.0	145.8	1,323.6	1,226.0
Short-term	101.3	36.7	6.1	13.5	61.7	29.5	28.5	277.2	329.6
<b>Interest-bearing debt 31st December</b>	<b>790.2</b>	<b>209.3</b>	<b>63.6</b>	<b>115.4</b>	<b>103.6</b>	<b>144.5</b>	<b>174.3</b>	<b>1,600.8</b>	<b>1,555.6</b>

### NEW AND AMENDED AGREEMENTS IN 2023 AND 2022

#### TANKERS

During 2023, Ocean Yield refinanced two chemical tankers at improved terms and the facility has been upsized with USD 13 million. The loan facility has a tenor of 3 years.

Two loan agreements related to six tankers were upsized with a positive liquidity effect of USD 46 million.

Also during 2023, one product tanker was refinanced, at improved terms and the facility was upsized with a total USD 8 million. The loan facility has a tenor of 3 years.

The Company has signed three loan agreements in 2023 for the long-term financing of three Suezmax tankers, two of which will be on long-term charter to a guaranteed subsidiary of Euronav NV and one vessel on long-term charter to Nordic American Tankers Ltd.

In 2022, the Company has extended a Tranche B loan relating to one VLCC on long-term charter. The maturity of this loan was extended until 2025 to coincide with the maturity of the Tranche A loan in the loan agreement.

During 2022, the Company amended a loan facility related to three Suezmax tankers on long-term charter. The loan outstanding was upsized by USD 25 million, while the maturity date remained unchanged.

#### CONTAINER VESSELS

In 2022 and in the beginning of 2023, the Company signed loan agreements for the long-term financing of all three newbuilding container vessels with long-term charters to ZIM Integrated Shipping Services Ltd.

During 2022, the loan facility related to the four feeder container vessels on long-term charter to CMB NV was upsized by an additional USD 30.0 million.

#### CAR CARRIERS

In 2022, a facility financing four car carriers, was upsized by USD 64.3 million.

#### GAS CARRIERS

During 2023, the Company entered into a new loan agreement for the long-term financing of the two newbuilding ethylene gas carriers with 15-year bareboat charters to Braskem S.A.

#### DRY BULK VESSELS

During 2023, the Company has signed two new loan agreements for the long-term financing of six Newcastlemax newbuildings with long-term charters to CMB N.V.

In addition during 2023, the Company completed a refinancing of three dry bulk vessels, and the facility was upsized with a total USD 5 million. The new loan facility has a tenor of 5 years.

#### OIL SERVICE

During 2023, the Company signed a loan agreement for the refinancing of the two AHTS vessels that commenced bareboat charters to Viking Supply Ships AB in November 2023.

During 2022, the loan facility financing the offshore construction vessel Aker Wayfarer was upsized by USD 26.1 million.

#### OTHER

In February 2023, the Company issued a call notice and settled the NOK 750 million senior unsecured bond loan OCY05 that had final maturity in May 2023.

In March 2023, Ocean Yield AS completed a new bond issue of NOK 750 million (OCY08), carrying a coupon of 3 months NIBOR + 3.95% p.a. with quarterly interest payments.

In September 2023, the Company issued a new NOK 750 million senior unsecured bond loan (OCY09) with a five year tenor. The bond loan carries a coupon of 3 months NIBOR + 3.75% p.a., payable quarterly.

In conjunction with the new bond issues and other subsequent transactions, the Company has bought back significant amounts in the bond issues OCY06 and OCY07 and as of December 31 2023, held USD 94.8 million in OCY06, where the total nominal outstanding amount is USD 125 million and NOK 460.5 million in OCY07 where the total nominal outstanding amount is NOK 750 million.

The contractual terms of interest-bearing debt as of 31st December 2023 were as follows:

Segment	Type of debt	Currency	Maturity	Pledged assets	Book value of collateral	Base interest	Interest margin	Undrawn facilities	Outstanding debt in million	Carrying amount USD million 2023	Carrying amount USD million 2022
<b>Tankers</b>	Secured debt	USD	2024 - 2032	2 Chemical tankers 3 Product tankers 10 Suezmax tankers 8 VLCC 4 Product tanker newbuildings	940.0	3 month SOFR	1.60%-2.35%	-	798.1	<b>790.2</b>	749.3
<b>Container vessels</b>	Secured debt	USD	2027	6 Container vessels 1 Newbuilding	301.8	3 month SOFR	1.95%-2.45%	-	211.7	<b>209.3</b>	144.1
<b>Car carriers</b>	Secured debt	USD	2025	2 PCTC vessels	85.0	3 month SOFR + CAS	2.25%	-	64.0	<b>63.6</b>	156.5
<b>Gas carriers</b>	Secured debt	USD	2024 - 2028	3 Gas Carriers 2 Newbuildings	214.4	3 month SOFR	1.85%-2.0%	-	116.4	<b>115.4</b>	129.6
<b>Dry bulk vessels</b>	Secured debt	USD	2024 - 2028	5 Dry bulk vessels	115.6	3 month SOFR	1.85%-2.0%	-	104.2	<b>103.6</b>	87.8
<b>Oil Service</b>	Secured debt	USD	2025 - 2029	1 Offshore construction vessel 2 Platform supply vessels 2 AHTS Vessels	251.17	3/6 month SOFR	2.40%-2.82%	-	146.7	<b>144.5</b>	136.7
<b>Ocean Yield AS</b>	Unsecured bond debt	NOK	2024 - 2028			3 month NIBOR	3.65%-4.25%	-	175.9	<b>174.3</b>	151.7
<b>Total interest-bearing debt</b>										<b>1,600.8</b>	<b>1,555.6</b>
Whereof the following amount is classified as current										<b>277.2</b>	<b>329.6</b>
<b>Total interest-bearing non-current debt</b>										<b>1,323.6</b>	<b>1,226.0</b>

## Covenants

Most of the Group's loans are subject to the following covenants:

	Covenants	Year-end 2023	Year-end 2022
Group equity ratio	25%	28.2 %	30.3 %
Interest coverage ratio, where EBITDA has been adjusted for lease effects	2.00:1	3.4:1	4.8:1
Minimum liquidity requirement	The higher of USD 25 million and 3% of Net interest-bearing debt	USD 115.8 million	USD 121.9 million

The Group was in compliance with its covenants at year-end 2023 and 2022, respectively.

### INTEREST COVERAGE RATIO

Most of the Group's loans are subject to an interest coverage ratio covenant, where EBITDA has been adjusted for finance lease effects. Should the Group be in breach of this minimum interest coverage ratio the required minimum liquidity of the Group increases to USD 40 million.

### MINIMUM MARKET VALUE

Certain of the Group's loan facility agreements contain requirements for minimum market value of the secured vessels against the outstanding under the debt facility. The minimum value requirements are based on the average of broker estimates and vary between 100% - 130% compared to the outstanding debt.

### OTHER CLAUSES

Certain of the Group's debt facilities contain cross default provisions to other loan agreements in the Group.

## NOTE 20 LEASES (AS LESSEE)

In 2014, the Group entered into an office lease agreement with Fornebuporten AS. The offices, located at Fornebu, were completed in the third quarter 2015. The lease period is seven years, and Ocean Yield has the option to extend the lease period with 5 + 5 years. The Company exercised the first extension option in 2021, and the office lease agreement currently runs until 2027.

In addition the Group has entered into an office lease agreement at Valletta Waterfront in Malta. The lease period started in 2018 and lasts for twelve years.

Information about leases for which the Group is a lessee is presented below:

### Right of use assets and liabilities:

Amounts in USD million	Right-of-use assets - Buildings	Lease Liabilities
Balance at 1 January 2023	1.8	1.7
Depreciation	-0.4	
Repayment of finance lease liabilities	-	-0.1
Exchange rates differences	-	-0.4
<b>Balance at 31 December 2023</b>	<b>1.3</b>	<b>1.3</b>

### Amounts recognised in statement of profit and loss:

Amounts in USD million	2023	2022
Interest on lease liabilities	0.1	0.1
Expenses related to leases of low-value assets	0.1	0.1
<b>Total</b>	<b>0.2</b>	<b>0.1</b>

### Amounts recognised in statement of cash flows:

Amounts in USD million	2023	2022
<b>Total cash outflow for leases</b>	<b>0.3</b>	<b>0.4</b>

## NOTE 21 FINANCIAL INSTRUMENTS

See also note 4 capital and financial risk management.

The following tables provide the carrying amounts and fair values of financial assets and financial liabilities, including their

levels in the fair value hierarchy. The tables do not include fair value information of financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

31st December 2023	Carrying Amount				Fair Value		
	Amounts in USD million	FVPL	FVOCI	Amortised cost Total	Level 1	Level 2	Level 3
<i>Financial assets recognised at amortised cost</i>							
Finance lease receivables	-	-	1,361.2	1,361.2	-	-	1,405.1
Interest-bearing receivables	-	-	84.2	84.2	-	-	-
Other non-current assets	-	-	0.5	0.5	-	-	-
Trade receivables and other current assets	-	-	1.6	1.6	-	-	-
Cash and cash equivalents (including restricted cash deposits, see note 4)	-	-	115.8	115.8	-	-	-
<b>Financial assets recognised at amortised cost</b>	<b>-</b>	<b>-</b>	<b>1,563.4</b>	<b>1,563.4</b>	<b>-</b>	<b>-</b>	<b>1,405.1</b>
<i>Financial assets recognised at fair value</i>							
Derivative financial instruments	5.2	-	-	5.2	-	5.2	-
<b>Financial assets recognised at fair value</b>	<b>5.2</b>	<b>-</b>	<b>-</b>	<b>5.2</b>	<b>-</b>	<b>5.2</b>	<b>-</b>
<i>Financial liabilities recognised at fair value</i>							
Derivative financial instruments	11.4	-	-	11.4	-	11.4	-
<b>Financial liabilities recognised at fair value</b>	<b>11.4</b>	<b>-</b>	<b>-</b>	<b>11.4</b>	<b>-</b>	<b>11.4</b>	<b>-</b>
<i>Financial liabilities recognised at amortised cost</i>							
Bond debt	-	-	174.3	174.3	-	178.9	-
Other interest-bearing debt	-	-	1,421.5	1,421.5	-	1,441.1	-
Finance lease liabilities	-	-	1.3	1.3	-	-	-
Other current interest-free financial liabilities	-	-	18.3	18.3	-	-	-
<b>Financial liabilities recognised at amortised cost</b>	<b>-</b>	<b>-</b>	<b>1,615.4</b>	<b>1,615.4</b>	<b>-</b>	<b>1,620.0</b>	<b>-</b>

31st December 2022	Carrying Amount				Fair Value		
	Amounts in USD million	FVPL	FVOCI	Amortised cost Total	Level 1	Level 2	Level 3
<i>Financial assets recognised at amortised cost</i>							
Finance lease receivables	-	-	1,401.3	1,401.3	-	-	1,484.1
Interest-bearing receivables	-	-	64.0	64.0	-	-	-
Other non-current assets	-	-	1.5	1.5	-	-	-
Trade receivables and other current assets	-	-	4.7	4.7	-	-	-
Cash and cash equivalents (including restricted cash deposits, see note 4)	-	-	135.0	135.0	-	-	-
<b>Financial assets recognised at amortised cost</b>	<b>-</b>	<b>-</b>	<b>1,606.4</b>	<b>1,606.4</b>	<b>-</b>	<b>-</b>	<b>1,484.1</b>
<i>Financial liabilities recognised at fair value</i>							
Derivative financial instruments	30.5	-	-	30.5	-	30.5	-
<b>Financial liabilities recognised at fair value</b>	<b>30.5</b>	<b>-</b>	<b>-</b>	<b>30.5</b>	<b>-</b>	<b>30.5</b>	<b>-</b>
<i>Financial liabilities recognised at amortised cost</i>							
Bond debt	-	-	149.7	149.7	-	152.0	-
Other interest-bearing debt	-	-	1,406.0	1,406.0	-	1,419.0	-
Finance lease liabilities	-	-	1.7	1.7	-	-	-
Other current interest-free financial liabilities	-	-	13.3	13.3	-	-	-
<b>Financial liabilities recognised at amortised cost</b>	<b>-</b>	<b>-</b>	<b>1,570.7</b>	<b>1,570.7</b>	<b>-</b>	<b>1,571.0</b>	<b>-</b>

There were no transfers between levels 1 and 2, or 2 and 3 during 2023 or 2022 for assets and liabilities that are measured at fair value.

Below is a description of the valuation methods used for significant financial assets and liabilities that were placed within level 3 of the fair value hierarchy year-end 2023 and 2022. The fair value calculations are based on few observable inputs. The fair values are determined for disclosure purposes.

## ASSET/LIABILITY VALUATION TECHNIQUE

<p><i>FINANCE LEASE RECEIVABLES – TANKERS</i></p>	<p><b>Discounted cash flows:</b> The estimated cash flows used in the calculations reflect the bareboat contracts for the three chemical tankers, six product tankers, seven Suezmax tankers and eight VLCC crude tankers accounted for as finance leases. As the charter rates are subject to a SOFR adjustment, the three months forward SOFR curve was applied in the calculations. The cash flows also include unguaranteed residual values of USD 246.2 million. The estimated cash flows were discounted using an annual discount rate of 6.8% p.a. (7.0% p.a. in 2022 and fair value was calculated to USD 931.1 million (USD 1,009.2 million year-end 2022).</p>
<p><i>FINANCE LEASE RECEIVABLES – CONTAINER VESSELS</i></p>	<p><b>Discounted cash flows:</b> The estimated cash flows used in the calculations reflect the bareboat contracts for the four container vessels accounted for as finance leases. As the charter rates are subject to a SOFR adjustment, the three months forward SOFR curve was applied in the calculations. The cash flows also include unguaranteed residual values of USD 13.4 million. The estimated cash flows were discounted using an annual discount rate of 7.2% p.a. (7.2% p.a. in 2022) and fair value was calculated to USD 105.6 million (USD 121.2 million in 2022).</p>
<p><i>FINANCE LEASE RECEIVABLES – GAS CARRIERS AND DRY BULK VESSELS</i></p>	<p><b>Discounted cash flows:</b> The estimated cash flows used in the calculations reflect the bareboat contracts for the six dry bulk vessels and one gas carrier accounted for as finance leases. As the charter rates are subject to a SOFR adjustment, the three months forward SOFR curve was applied in the calculations. The cash flows also include unguaranteed residual values of USD 40.7 million. The estimated cash flows were discounted using an annual discount rate of 6.9% p.a. (6.9% p.a. in 2022) and fair value was calculated to USD 168.3 million (USD 200.1 million in 2022).</p>
<p><i>FINANCE LEASE RECEIVABLES – OIL SERVICE</i></p>	<p><b>Discounted cash flows:</b> The estimated cash flows used in the calculations reflect the bareboat contract for the vessel Aker Wayfarer. As part of the charter rate is subject to a SOFR adjustment, the three months forward SOFR curve was applied in the calculations. The cash flow also includes an unguaranteed residual value of USD 37.7 million. The estimated cash flows were discounted using an annual discount rate of 7.2% p.a. (7.3% p.a. in 2022) and fair value was calculated to USD 201.0 million (USD 153.6 million year-end 2022).</p>





## NOTE 22 RELATED PARTY TRANSACTIONS

In 2021 Ocean Yield was acquired by Octopus BidCo AS, a company controlled by funds advised by KKR.

During 2023, Ocean Yield distributed USD 30.0 million in dividends to its owner (USD 80.0 million in 2022). In addition, Ocean Yield has entered into a management service agreement with KKR and paid USD 2.8 million in fees during 2023.

## NOTE 23 REMUNERATION TO THE BOARD OF DIRECTORS, CEO AND CFO

No fees were paid to the Board of Directors in 2023 and 2022. In December 2023, Ms. Rebecca Lund Nakkim joined the Board of Directors. At the same time, Mr. Andreas Røde and Mr. Eirik Eide resigned from the Board of Directors to fully dedicate their capacity as CEO and CFO of the Company.

### DIRECTIVE OF REMUNERATION OF THE CEO AND CFO

The remuneration to the CEO and CFO consists of a fixed salary, standard pension- and insurance terms for employees and a variable cash bonus element. The main purpose of the system for management remuneration is to stimulate a strong and lasting profit oriented culture leading to an increasing value of the Company. The CEO and CFO are members of a collective pension and insurance scheme applicable to all employees. The collective pension and insurance scheme is for salaries up to 12G.

### REMUNERATION TO THE CEO AND CFO

Andreas Røde is the CEO of Ocean Yield AS. In 2023, Andreas Røde had a fixed salary of USD 476.3 thousand (USD 439.0 thousand in 2022) and earned a bonus of USD 416.8 thousand (USD 479.0 thousand in 2022). The value of additional remuneration was USD 1.2 thousand (USD 1.6 thousand in 2022) and net pension expense was USD 19.0 thousand (USD 17.2 thousand in 2022).

Eirik Eide is the CFO of Ocean Yield AS. In 2023, Eirik Eide had a fixed salary of USD 378.0 thousand (USD 539.9 thousand in 2022), and earned a bonus of USD 307.1 thousand (USD 455.1 thousand in 2022). The value of additional remuneration was USD 1.2 thousand (USD 1.7 thousand in 2022) and the net pension expense was USD 19.0 thousand (USD 20.6 thousand in 2022).

## NOTE 24 CONTINGENCIES AND LEGAL CLAIMS

ACFP AS, a non-guaranteed subsidiary of Ocean Yield, received a notice from Indian authorities in 2021 regarding a potential tax claim related to the previous contract for the FPSO Dhirubhai-1. The amount of the potential tax claim is uncertain. ACFP AS disputes that there is any legal basis for the claim and has obtained legal advice supporting its position. The matter has been referred to Indian courts. The matter was referred to Indian courts in 2021 and final court hearings are still pending at the date of this report.

## NOTE 25 SUBSEQUENT EVENTS

- After year-end, the Company took delivery of the 2022-built Suezmax tankers Cedar. At the delivery the vessel commenced a long-term sustainability-linked bareboat charter to guaranteed subsidiaries of Euronav NV.
- After year-end, a purchase option was declared for the Newcastlemax vessel Mineral Qingdao, Bulk Seoul and Bulk Shanghai, and the PCTC Höegh Jeddah. Navig8 Prestige JKB, Milos and Mineral Qingdao were delivered to their new owners.
- Also after year-end, the Company has signed two loan agreements for the long-term financing of two Newcastlemax newbuildings with long-term charters to CMB N.V.

# OCEAN YIELD AS FINANCIAL STATEMENTS AND NOTES

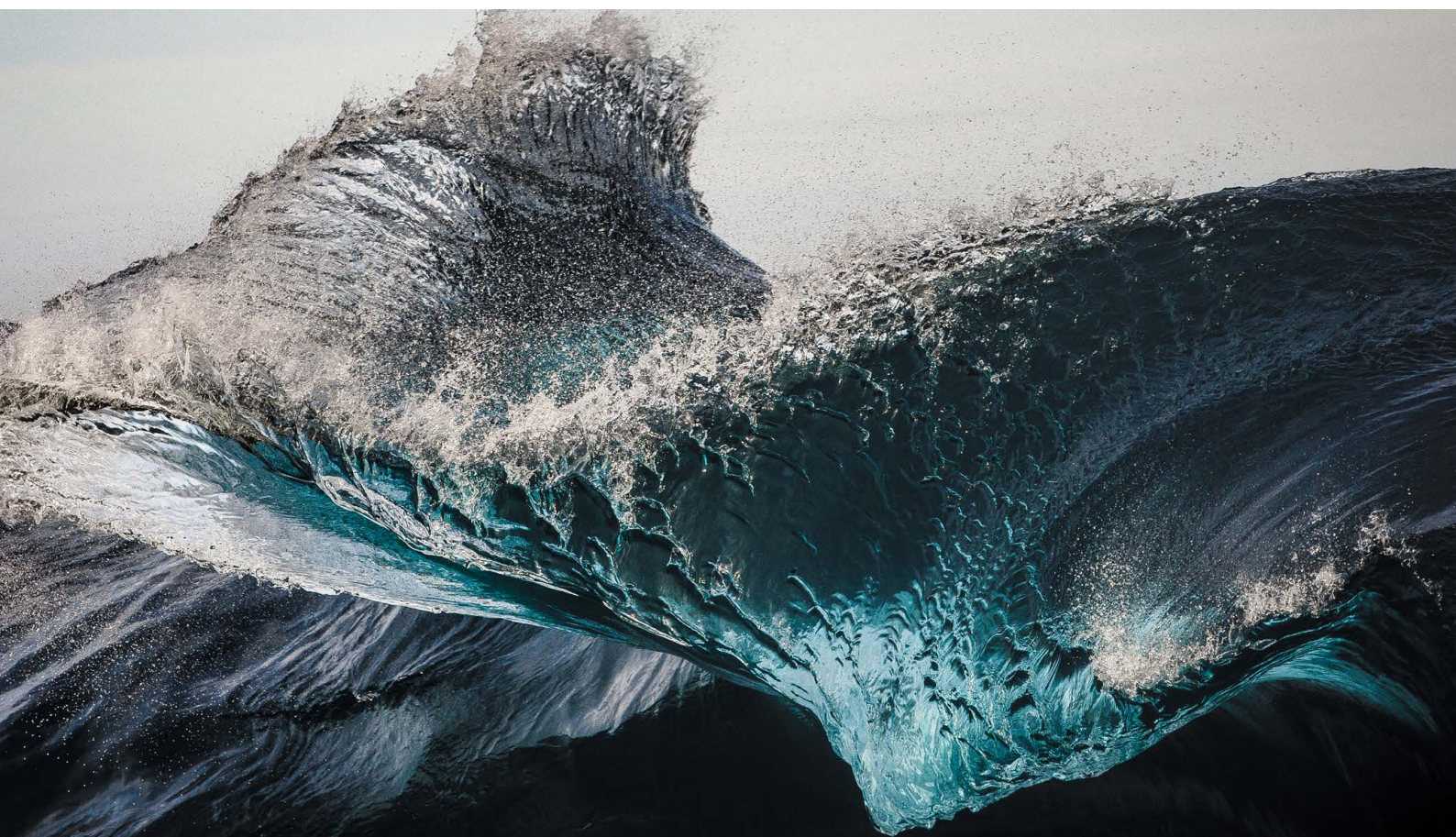
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<b>PARENT COMPANY FINANCIAL STATEMENTS AND NOTES</b>	<b>66</b>
Ocean Yield AS Income statement	68
Ocean Yield AS Balance Sheet at 31st December	69
Ocean Yield AS Cash Flow Statement	70
Notes to the financial statements	71
Note 1 Accounting principles	71
Note 2 Financial market risks	72
Note 3 Administrative expenses	73
Note 4 Other operating expenses	73
Note 5 Financial items	73
Note 6 Income tax	74
Note 7 Shares in subsidiaries	75
Note 8 Receivables, borrowings and transactions with Group Companies	75
Note 9 Cash and cash equivalents	76
Note 10 Shareholders equity	76
Note 11 Interest-bearing debt	77
Note 12 Mortgages and guarantee obligations	78
Note 13 Other non-current liabilities	78
Note 14 Other short-term liabilities	78
Note 15 Financial instruments	78
Note 16 Operating leases	79
Note 17 Transactions with related parties	79
Note 18 Remuneration to the Board of Directors, CEO and CFO	79
Note 19 Contingencies and legal claims	79
Note 20 Subsequent Events	79

## Ocean Yield AS Income statement

Amounts in USD million	Note	2023	2022
<b>Total revenues</b>		<b>0.3</b>	<b>0.3</b>
Administrative expenses	3	-4.2	-4.6
Other operating expenses	4	-4.5	-2.3
Depreciation		-0.0	-0.0
<b>Operating profit (loss)</b>		<b>-8.4</b>	<b>-6.7</b>
Income from investments in subsidiaries	5	70.9	70.6
Financial Income	5	19.0	14.5
Financial Expenses	5	-45.4	-32.6
Foreign exchange gains (losses), net		-27.5	16.0
Change in fair value of financial instruments		24.3	-14.7
<b>Net profit before tax</b>		<b>33.0</b>	<b>46.9</b>
Income tax expense	6	-	-
<b>Net profit after tax</b>		<b>33.0</b>	<b>46.9</b>
<b>Allocation of profit/loss for the year:</b>			
Profit (+) / loss (-)		33.0	46.9
Transferred from (+) / allocated to (-) retained earnings		-33.0	-46.9
<b>Total</b>		<b>-</b>	<b>-</b>



## Ocean Yield AS Balance Sheet at 31st December

Amounts in USD million	Note	2023	2022
<b>ASSETS</b>			
Fixed assets		0.0	0.0
Shares in subsidiaries	7	529.4	529.4
Long-term interest-bearing receivables from Group companies	8	267.7	350.5
Restricted cash deposits		-	13.0
<b>Total non-current assets</b>		<b>797.1</b>	<b>893.0</b>
Short-term interest-free receivables from Group companies	8	5.9	6.5
Other short-term receivables		7.8	0.0
Cash and cash equivalents	9	51.0	26.5
<b>Total current assets</b>		<b>64.8</b>	<b>33.1</b>
<b>Total assets</b>		<b>861.9</b>	<b>926.1</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		271.0	271.0
Other paid-in capital		61.9	61.9
<b>Total paid-in equity</b>		<b>332.9</b>	<b>332.9</b>
Retained earnings		49.9	46.9
<b>Total retained earnings</b>		<b>49.8</b>	<b>46.9</b>
<b>Total equity</b>	10	<b>382.8</b>	<b>379.8</b>
Long-term interest-bearing debt	11	258.0	233.0
Bond debt	11	204.5	276.7
Other non-current liabilities	13	-	14.6
<b>Total non-current liabilities</b>		<b>462.5</b>	<b>524.2</b>
Short-term interest-free liabilities to Group companies	8	-	1.2
Other current liabilities	14	16.6	20.9
<b>Total current liabilities</b>		<b>16.6</b>	<b>22.0</b>
<b>Total liabilities</b>		<b>479.1</b>	<b>546.3</b>
<b>Total equity and liabilities</b>		<b>861.9</b>	<b>926.1</b>



BÆRUM, 28<sup>TH</sup> FEBRUARY 2024  
OCEAN YIELD AS

*V. Policard*

VINCENT POLICARD  
CHAIRPERSON

*Bernardo Nogueira*

BERNARDO NOGUEIRA  
VICE CHAIRPERSON

*Andreas Røde*

ANDREAS RØDE  
CEO

*Rebecca Lund Nakkim*

REBECCA LUND NAKKIM  
DIRECTOR

## Ocean Yield AS Cash Flow Statement

Amounts in USD million	2023	2022
Net profit (loss) before tax	33.0	46.9
Dividends and group contributions from subsidiaries	-70.0	-70.0
Gain/loss/write-downs from investments in subsidiaries	0.0	356.8
Net interest income	19.4	17.6
Interest paid	-37.6	-29.2
Interest received	20.2	13.6
Foreign exchange gain/losses	26.0	-16.2
Unrealised loss (gains) on derivatives and impairment charges on financial assets	-24.3	14.7
Change in other operating items	2.5	-16.5
<b>Net cash flow from operating activities</b>	<b>-30.8</b>	<b>317.7</b>
Purchase of fixed assets	-	-0.0
Purchase of shares in subsidiaries	-0.0	-0.0
Dividends and group contributions received from subsidiaries	70.0	-
Group contributions paid to subsidiaries	-1.1	-0.1
Net change in long-term interest-bearing receivables from Group Companies	82.9	-231.2
Net change in restricted cash deposits	13.0	-7.6
<b>Net cash flow from investing activities</b>	<b>164.8</b>	<b>-239.0</b>
Proceeds from issuance of interest-bearing long-term external debt	283.0	8.0
Repayment of interest-bearing long-term external debt	-331.3	-30.7
Repayment of interest-bearing long-term debt to Group companies	-	-0.0
Dividends paid	-30.0	-80.0
<b>Net cash flow from financing activities</b>	<b>-78.3</b>	<b>-102.8</b>
Net change in cash and cash equivalents	55.7	-24.0
Cash and cash equivalents at January 1st	26.5	52.1
Net foreign exchange difference	-31.2	-1.6
<b>Cash and cash equivalents at 31 December</b>	<b>51.0</b>	<b>26.5</b>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 ACCOUNTING PRINCIPLES

Ocean Yield AS (or the “Company”) is a Norwegian limited company incorporated and domiciled in Bærum, Norway. The registered office is located at Oksenyveien 10, Lysaker. The financial statements are prepared in accordance with Norwegian legislations and Norwegian generally accepted accounting principles.

#### FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The functional currency and presentation currency of Ocean Yield AS is USD, as this is the primary economic environment in which Ocean Yield AS and its subsidiaries operate.

#### REVENUE RECOGNITION

Revenue is recognised when the services are provided. The company provides certain management services and other services to its subsidiaries. These services comprise advisory services in areas of business strategy, financing and accounting.

#### INVESTMENTS IN SUBSIDIARIES

Subsidiaries are entities in which Ocean Yield AS has control. Investments in subsidiaries are accounted for using the cost method in the parent company accounts. The investments are valued at cost less impairment losses. Write-down to fair value is recognised when the impairment is not considered to be temporary and reversed if the basis for the write-down is no longer present.

#### DIVIDENDS FROM SUBSIDIARIES

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. Dividends, group contributions and other distributions are usually recognised in the income statement as financial income. Whenever dividends exceed the share of retained profit after the acquisition, the excess represents a refund of invested capital, and the dividends are subtracted from the value of the investment in the balance sheet.

Classification and valuation of balance sheet items Current assets and current liabilities comprise of items that are due within one year from the time of acquisition. Other items are classified as non-current asset / non-current liability. Short-term portion of long-term debt is however classified as non-current liability.

Current assets are valued at the lower of acquisition cost and fair value. Short-term debt is recognised at its nominal value at the time of recognition.

Non-current assets are valued at acquisition cost but written down to fair value if impairment is not expected to be temporary. Long-term debt is initially recognised at its nominal value. Subsequent to initial recognition, interest-bearing

long-term debt is stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowing on an effective interest basis.

#### RECEIVABLES

Trade receivable and other receivables are carried at par value after subtraction of provision for expected loss. Provision for loss is made based on individual assessments of each receivable.

#### FOREIGN CURRENCY

Transactions in foreign currency are translated into USD using the exchange rate at the time of transaction. Monetary items in foreign currency are valued at the rate of foreign exchange on the balance sheet date. Non-monetary items that are measured at historic cost in foreign currency are translated into USD using the exchange rate at the time of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated into USD using the exchange rate at the date of measurement. Valuation changes due to exchange rate fluctuations are recorded on a continuous basis under other financial items.

#### DERIVATIVES

Foreign exchange contracts that do not qualify for hedge accounting are recognised at fair value. Other derivatives that do not qualify for hedge accounting are recognised at the lowest of fair value and cost. Changes in fair value are reported as financial income/expense.

#### TAX

The tax cost in the income statement includes both tax payable for the period and changes in deferred tax.

Deferred tax is calculated based on the temporary differences that exist between accounting and tax values, and tax losses carried forward at the end of the accounting year. Tax increasing and tax decreasing temporary differences which reverse or can be reversed in the same period are offset. Net deferred tax assets are recognised to the extent that it is probable that they can be utilised.

#### CASH FLOW STATEMENT

The cash flow statement is prepared by using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other current, liquid investments.

#### THE USE OF ESTIMATES

The preparation of the financial statements, under the generally accepted accounting principles, requires that management uses the best estimates and assumptions that affect the income statement, the valuation of assets and liabilities as well as information regarding disclosures of contingent assets and liabilities on balance sheet date.

Contingent losses that are probable and quantifiable are expensed on an regular basis.

## NOTE 2 FINANCIAL MARKET RISKS

The Company is exposed to several types of financial risks, where the most significant types are credit, liquidity, foreign exchange and interest rate risks. The purpose of risk management is to measure and manage financial risks in a reliable manner, in order to increase predictability and minimise any negative impacts on Ocean Yield AS's financial results.

Should any of the counterparties that charter vessels from Ocean Yield AS' subsidiaries trigger default provisions under current bareboat contracts, this could reduce payments and dividends to the Company from its subsidiaries. For the Ocean Yield Group all counterparties performed in accordance with their contracts during the year and there were no defaults in the portfolio. Counterparty risk in most segments improved on the back of strong commodity markets and congestion in world ports.

### *CREDIT RISK*

Credit risk relates to loans to subsidiaries and deposits with external banks.

Cash and cash equivalents are held with banks and financial institutions with sound credit-ratings. Given their high credit ratings, management does not expect any counterparty to fail to meet its obligations.

### *LIQUIDITY RISK*

Liquidity risk is the risk that Ocean Yield AS will be unable to fulfil its financial obligations as they fall due. The company's

approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due. Management monitors the liquidity reserve, amongst other, on the basis of forecasting expected cash flows.

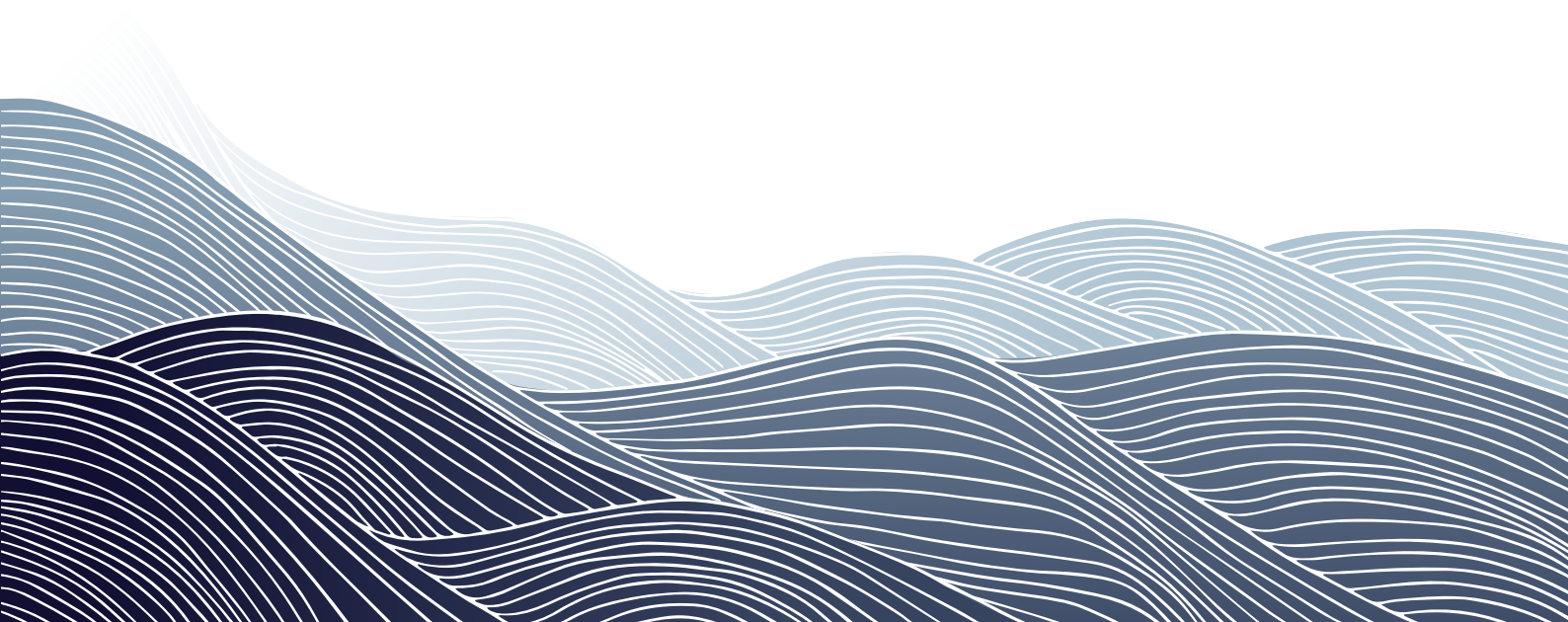
### *CURRENCY RISK*

Ocean Yield AS and its subsidiaries operate in the international markets which leads to various types of currency exposure. Ocean Yield AS' functional currency is USD. The currency exposure in Ocean Yield AS is primarily related to NOK. Operating expenses and the bond debt are denominated in NOK. To reduce the currency effect Ocean Yield AS has entered into interest and currency swaps. As of year-end 2023 Ocean Yield AS had five cross currency swaps, where NOK 1,375 million has been swapped from floating rate in NOK to floating rate in USD. Total outstanding debt in NOK as of year-end 2023 was NOK 2,250 million (of which NOK 460.5 million had been bought back by the Company).

### *INTEREST RATE RISK*

Ocean Yield AS's interest rate risk arises from external borrowings, inter-company borrowings and receivables. Borrowings and receivables issued at variable rates expose Ocean Yield AS to cash flow interest rate risk. Ocean Yield AS has guidelines for management of interest rate risks. The interest rate policy of Ocean Yield AS defines levels for the hedging of expected future cash flows.

Also see Note 4 in the consolidated financial statements for Ocean Yield AS Group.





## NOTE 3 ADMINISTRATIVE EXPENSES

Administrative expenses consisted of the following:

Amounts in USD million	2023	2022
Salaries	3.3	4.1
Social security contributions	0.6	0.6
Pension costs	0.2	0.1
Other benefits	0.1	-0.1
<b>Total salaries and other personnel expenses</b>	<b>4.2</b>	<b>4.6</b>
Average number of employees	8	6
Full time employee equivalents	8	8

## NOTE 4 OTHER OPERATING EXPENSES

Auditor's fees are included in other operating expenses and consisted of the following:

Amounts in USD thousand	2023	2022
Fees for statutory audit services	200.5	167.2
Tax advisory services	-	-
Other non-audit services	-	61.3
<b>Total</b>	<b>200.5</b>	<b>228.5</b>

## NOTE 5 FINANCIAL ITEMS

Amounts in USD million	2023	2022
Dividends and group contributions from subsidiaries	70.0	70.0
Write down of investments in subsidiaries	-0.0	-
Write down/reversal of write down of receivables to subsidiaries	0.9	0.6
<b>Income from investments in subsidiaries</b>	<b>70.9</b>	<b>70.6</b>
Interest income from companies within the Group	16.3	13.8
Other interest income	2.7	0.7
<b>Financial income</b>	<b>19.0</b>	<b>14.5</b>
Interest expenses to Group companies	-	-0.0
Other interest expenses	-38.3	-32.1
Other financial expenses	-7.1	-0.5
<b>Financial expenses</b>	<b>-45.4</b>	<b>-32.6</b>

In 2023 and 2022, the Company reversed USD 0.9 million and USD 0.6 million, respectively, in impairment losses related to receivables towards ACFP AS.

## NOTE 6 INCOME TAX

The difference between accounting and tax values at the end of 2023 and 2022 respectively, and changes in deferred tax assets at the end of each year were as follows:

### Temporary differences between tax and accounting values:

Amounts in USD million	2023	2022
Differences in interest and currency swaps	-6.1	-30.5
Amortised loan fees	6.7	2.4
Other	0.0	0.0
<b>Total differences</b>	<b>0.6</b>	<b>-28.1</b>
Tax losses carried forward	-213.9	-154.2
<b>Total deferred tax basis</b>	<b>-213.3</b>	<b>-182.3</b>
Net deferred tax asset (22%)	-46.9	-40.1
Not recognised deferred tax asset	46.9	40.1
<b>Recognised deferred tax asset</b>	<b>-</b>	<b>-</b>

### Estimated taxable profit:

Amounts in USD million	2023	2022
Net profit (loss) before tax	33.0	46.9
Permanent differences in net non-taxable income (-) / expenses (+)	-71.2	-107.4
Change in temporary differences	-28.7	15.4
Tax losses for which no deferred income tax asset was recognised	67.0	45.1
<b>Estimated taxable income</b>	<b>-</b>	<b>-</b>
Tax payable (22%) in the income statement	-	-

### Income tax expense/income:

Amounts in USD million	2023	2022
Tax payables	-	-
Change in deferred tax	-	-
<b>Total income tax expense (benefit)</b>	<b>-</b>	<b>-</b>

The figures above are based on estimates of different non-deductible taxable income, non-deductible items and differences between accounting and tax items. The final calculations will be made in the income-tax return and may differ from estimates above.

### Reconciliation of income tax expense (benefit):

Amounts in USD million	2023	2022
22% tax on net profit (loss) before tax	-7.3	-10.3
22% tax on permanent differences	15.7	23.6
Not recognised deferred tax asset	-8.4	-13.3
<b>Estimated income tax expense (-) / benefit(+)</b>	<b>-</b>	<b>-</b>
Effective tax rate	0.0 %	0.0 %

## NOTE 7 SHARES IN SUBSIDIARIES

Shares in subsidiaries included the following companies at 31<sup>st</sup> December 2023

Amounts in USD million	Ownership in %	Voting share		Location, city	Equity as of Dec.	Profit before tax	Book value
		in%			31st 2023	2023	
AFP AS	100	10		Lysaker, Norway	0.8	0.1	0.3
F-Shiplease AS	100	100		Lysaker, Norway	23.3	-0.7	27.7
Ocean Yield Malta Limited	100	100		Floriana, Malta	740.5	95.2	500.3
MPC Ecobox Opco 1 AS	100	100		Lysaker, Norway	0.4	-0.5	1.2
MPC Ecobox Opco 2 AS	100	100		Lysaker, Norway	-1.5	-1.5	0.0
MPC Ecobox Opco 4 AS	100	100		Lysaker, Norway	-1.8	-1.6	0.0
<b>Total</b>							<b>529.4</b>

## NOTE 8 RECEIVABLES, BORROWINGS AND TRANSACTIONS WITH GROUP COMPANIES

Long-term interest-bearing receivables from Group companies consisted of the following items:

Amounts in USD million	2023	2022
Long-term interest-bearing receivables from Group companies	267.7	350.5
<b>Long-term interest-bearing receivables from Group companies</b>	<b>267.7</b>	<b>350.5</b>

The receivables have a maturity of more than one year. Interest terms on the receivables are set at arm's length basis.

Short-term interest free receivables from Group companies consisted of the following items:

Amounts in USD million	2023	2022
Incurring interest, not received, from Group companies	5.2	6.0
Other short-term receivables from Group companies	0.7	0.5
<b>Short-term interest free receivables from Group companies</b>	<b>5.9</b>	<b>6.5</b>

Short-term interest free liabilities to Group companies consisted of the following items:

Amounts in USD million	2023	2022
Incurred unpaid interest, to Group companies	-	-
Other short-term interest free liabilities to Group companies	-	1.2
<b>Short-term interest free liabilities to Group companies</b>	<b>-</b>	<b>1.2</b>

Dividends and Group contributions received from Group companies:

Amounts in USD million	2023	2022
Dividends from Group companies	70.0	70.0
Group contributions received from Group companies	-	-
<b>Dividends and group contributions received from Group companies</b>	<b>70.0</b>	<b>70.0</b>

## NOTE 9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents were the following at 31 December:

Amounts in USD million	2023	2022
Cash restricted	0.5	0.5
Cash unrestricted	50.6	26.1
<b>Cash and cash equivalents</b>	<b>51.0</b>	<b>26.5</b>

In addition and as of December 31, 2023, Ocean Yield AS had USD 0.0 million (USD 13.0 million as of 31 December, 2022) in restricted cash classified under non-current assets due to margin calls on derivative financial instruments.

## NOTE 10 SHAREHOLDERS EQUITY

Changes in shareholder's equity were the following:

Amounts in USD million	Share capital	Other paid in capital	Retained earnings	Total equity
<b>Shareholders equity on 31st December 2021</b>	<b>271.0</b>	<b>101.9</b>	<b>-</b>	<b>372.9</b>
Dividends	-	-40.0	-	-40.0
Net profit (loss) for the year	-	-	46.9	46.9
<b>Shareholders equity on 31st December 2022</b>	<b>271.0</b>	<b>61.9</b>	<b>46.9</b>	<b>379.9</b>
Dividends	-	-	-30.0	-30.0
Net profit (loss) for the year	-	-	33.0	33.0
<b>Shareholders equity on 31st December 2023</b>	<b>271.0</b>	<b>61.9</b>	<b>49.9</b>	<b>382.8</b>

See note 16 in the consolidated financial statements for Ocean Yield AS Group for information about paid in capital, largest shareholders and current board authorisations.

## NOTE 11 INTEREST-BEARING DEBT

### Changes in interest-bearing debt:

Amounts in USD Million	Debt to Group companies	Secured debt	Unsecured bond debt	2023	2022
<b>Interest-bearing debt 1st January</b>	<b>0.0</b>	<b>233.0</b>	<b>276.7</b>	<b>509.7</b>	<b>549.0</b>
New debt	-	148.4	139.5	<b>288.0</b>	8.0
Instalments	-	-124.0	-207.3	<b>-331.3</b>	-30.7
Amortisation of loan fees	-	0.6	0.6	<b>1.2</b>	1.1
Effect of foreign exchange changes	-	-	-5.1	<b>-5.1</b>	-17.6
<b>Interest-bearing debt 31st December</b>	<b>0.0</b>	<b>258.0</b>	<b>204.5</b>	<b>462.5</b>	<b>509.7</b>

### SECURED DEBT

In 2023, Ocean Yield AS entered into the following loan agreements as borrower:

- Loan agreements for two newbuilding container vessels with long-term charters to ZIM Integrated Shipping Services Ltd.
- Loan agreement for the refinancing of the two AHTS vessels that commenced bareboat charters to Viking Supply Ships AB in November 2023.
- Loan agreements financing the newbuilding contracts for two ethylene gas carriers with 15-year bareboat charters to Braskem S.A.

During 2023 several of the bank loans where Ocean Yield Malta Limited is borrower and Ocean Yield AS is guarantor were entered or amended.

- Refinanced the loan facility for three Handysize dry bulk carriers on long-term charters. The loan outstanding on the vessels was also upsized by USD 5.0 million, and the maturity date extended to match the end of the charter period.
- Refinanced the loan facility for the product tanker STI Symphony which included an upsizing of USD 8.0 million. The loan facility has a tenor of 3 years.
- Refinanced two chemical tankers at improved terms and the facility was upsized with USD 13.0 million. The loan facility has a tenor of 3 years.
- Two loan agreements related to six tankers were upsized with a positive liquidity effect of USD 46.0 million.
- Two new loan agreements for the long-term financing of six Newcastlemax newbuildings with long-term charters to CMB N.V.

- Loan agreement for the long-term financing of one Suezmax tanker with long-term charter to Nordic American Tankers was signed in November 2023.

- Two loan agreement for the long-term financing of two Suezmax tankers with long-term charter to Euronav were signed in November and December 2023.

### BOND DEBT

- In February 2023, Ocean Yield issued a call notice and settled the NOK 750 million senior unsecured bond loan OCY05 that had final maturity in May 2023.
- In March 2023, Ocean Yield completed a new senior unsecured bond issue of NOK 750 million (OCY08), carrying a coupon of 3 months NIBOR + 3.95% p.a. with quarterly interest payments.
- In September 2023, the Ocean Yield issued a new NOK 750 million senior unsecured bond loan (OCY09) with a five year tenor. The bond loan carries a coupon of 3 months NIBOR + 3.75% p.a., payable quarterly.
- In conjunction with the new bond issues and other subsequent transactions, the Company has bought back significant amounts in the bond issues OCY06 and OCY07 and as of December 31, 2023, held USD 94.8 million in OCY06, where the total nominal outstanding amount is USD 125 million and NOK 460.5 million in OCY07 where the total nominal outstanding amount is NOK 750 million.

### COVENANTS

Ocean Yield AS has loans and guarantee commitments that contain certain financial covenants. The main covenants are a Group equity of 25%, an interest cover ratio of 2.00:1 and minimum liquidity of no less than the higher of USD 25 million and 3% of Net interest-bearing debt. Ocean Yield AS was in compliance with all covenants at year-end 2023.

## NOTE 12 MORTGAGES AND GUARANTEE OBLIGATIONS

Guarantee obligations were as follows:

Amounts in USD million	2023	2022
Loan guarantees Ocean Yield Malta Limited	1,080.0	1,099.1
Loan guarantees OY Holding Suez Limited	100.6	85.2
Loan guarantees OY Holding LR2 Limited	23.1	50.4
<b>Total guarantee obligations</b>	<b>1,203.7</b>	<b>1,234.7</b>

## NOTE 13 OTHER NON-CURRENT LIABILITIES

Other non-current liabilities consisted of the following:

Amounts in USD million	2023	2022
Unrealised loss on interest and currency exchange swaps	-	14.6
<b>Other non-current liabilities</b>	<b>-</b>	<b>14.6</b>

## NOTE 14 OTHER SHORT-TERM LIABILITIES

Other short-term liabilities consisted of the following:

Amounts in USD million	2023	2022
Accrued interest	3.3	3.7
Unrealised loss on interest and currency exchange swaps	11.4	15.9
Other	2.0	1.2
<b>Other current liabilities</b>	<b>16.6</b>	<b>20.9</b>

## NOTE 15 FINANCIAL INSTRUMENTS

At year-end Ocean Yield AS had the following financial instruments recognised at fair value:

31st December 2023			
Amounts in USD million	Carrying amount	Fair value	Unrealised gains (losses)
Cross Currency Interest Rate Swaps	-6.1	-6.1	24.3
Interest Rate Swaps	-	-	-
<b>Total</b>	<b>-6.1</b>	<b>-6.1</b>	<b>24.3</b>

31st December 2022			
Amounts in USD million	Carrying amount	Fair value	Unrealised gains (losses)
Cross Currency Interest Rate Swaps	-30.5	-30.5	-15.0
Forward exchange contracts	-	-	-
Interest Rate Swaps	-	-	0.3
<b>Total</b>	<b>-30.5</b>	<b>-30.5</b>	<b>-14.7</b>

For more information regarding the cross currency interest rate swaps and the interest rate swaps see note 4 in the consolidated financial statements for Ocean Yield AS Group.

## NOTE 16 OPERATING LEASES

In 2014, Ocean Yield AS entered into a lease agreement for offices located at Fornebu, near Oslo. The lease period is seven years. Ocean Yield AS has the option to extend the lease period with 5 + 5 years. The Company exercised the first extension option in 2021, and the office lease agreement currently runs until 2027.

Annual rent was approximately USD 0.4 million in 2023 and 2022, respectively. Ocean Yield AS sublets parts of the office space.

## NOTE 17 TRANSACTIONS WITH RELATED PARTIES

As of year-end 2023 Ocean Yield is owned by Octopus BidCo AS, a company controlled by funds advised by Kohlberg Kravis Roberts & Co. L.P. (“KKR”). During 2023, Ocean Yield distributed USD 30.0 million in dividends to its owner (USD 80.0 million in 2022). In addition, Ocean Yield has entered into a management service agreement with KKR and paid USD 2.8 million in fees during 2023.

Ocean Yield AS has loans to and from several of its subsidiaries. For more details regarding the amounts see note 8. All transactions with related parties are done at market rates and in accordance with the arm’s length principle.

## NOTE 18 REMUNERATION TO THE BOARD OF DIRECTORS, CEO AND CFO

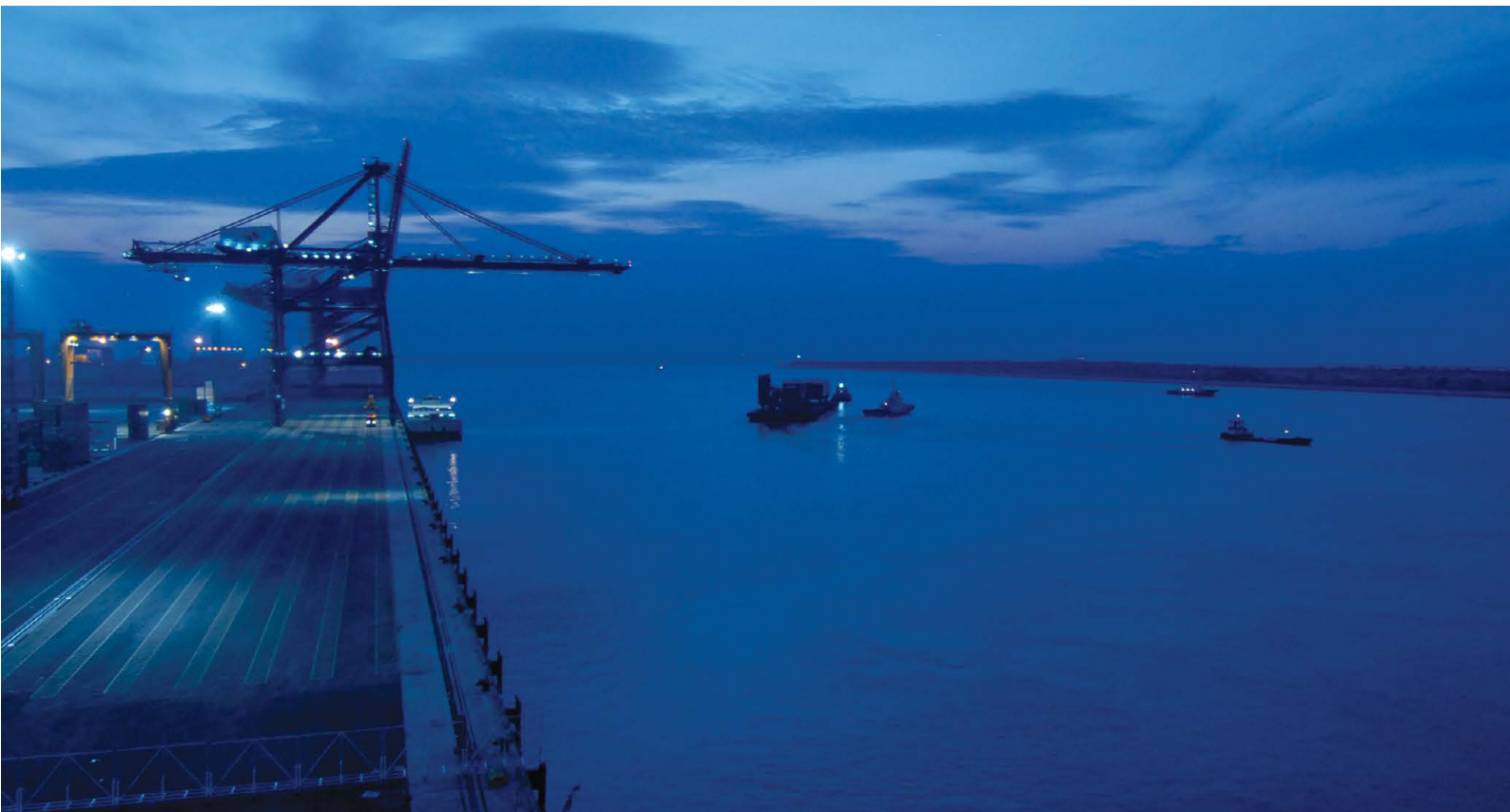
See note 23 in the consolidated financial statements for Ocean Yield AS Group.

## NOTE 19 CONTINGENCIES AND LEGAL CLAIMS

No material contingencies or legal claims have been identified at the end of the year.

## NOTE 20 SUBSEQUENT EVENTS

See note 25 in the consolidated financial statements for Ocean Yield AS Group.



# RESPONSIBILITY STATEMENT

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Today, the Board of Directors and the Company's Chief Executive Officer reviewed and approved the Board of Directors' report and the consolidated and separate annual financial statements of Ocean Yield AS for the year ending and as of 31<sup>st</sup> December 2023.

**Ocean Yield's** consolidated financial statements have been prepared in accordance with IFRS and IFRIC adopted by the EU as well as additional disclosure requirements in the Norwegian Accounting Act and as such are to be applied as per 31<sup>st</sup> December 2023. The separate financial statements of the parent company Ocean Yield AS have been prepared in accordance with the Norwegian Accounting Act and Norwegian accounting standards as of 31<sup>st</sup> December 2023. The Board of Directors' report for the Group and the parent company for 2023 comply with the requirements of the Norwegian Accounting Act and Norwegian accounting standard no. 16.

TO THE BEST OF OUR KNOWLEDGE:

- The consolidated and separate annual financial statements for the Group and the parent company for 2023 have been prepared in accordance with applicable accounting standards.
- The consolidated and separate annual financial statements give a true and fair view of the assets, liabilities, financial position and profit/loss as a whole per 31<sup>st</sup> December 2023 for the Group and for the parent company.
- The board of directors' report includes a true and fair review of the
  - development and performance of the business and the position of the Group and the parent company,
  - the principal risks and uncertainties the Group and the parent company may face.



BÆRUM, 28<sup>TH</sup> FEBRUARY 2024  
OCEAN YIELD AS

VINCENT POLICARD  
CHAIRPERSON

BERNARDO NOGUEIRA  
VICE CHAIRPERSON

ANDREAS RØDE  
CEO

REBECCA LUND NAKKIM  
DIRECTOR



**KPMG AS**  
Sørkedalsveien 6  
P.O. Box 7000 Majorstuen  
N-0306 Oslo

Telephone +47 45 40 40 63  
Internet www.kpmg.no  
Enterprise 935 174 627 MVA

To the General Meeting of Ocean Yield AS

## Independent Auditor's Report

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Ocean Yield AS, which comprise:

- the financial statements of the parent company Ocean Yield AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Ocean Yield AS and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Board of Directors.

#### 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

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Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knarvik	Stord	Ålesund
Drammen	Kristiansand	Straume	



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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 17 years from the foundation of the Company on 10 September 2007 for the accounting year 2007.

#### Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

#### 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 appears 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 other information

- is consistent with the financial statements,
- contains the information required by applicable statutory requirements regarding the Board of Directors' report and
- contains the information required by applicable statutory requirements regarding the statements on Corporate Governance and Corporate Social Responsibility.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company 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 the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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 of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

### Report on Compliance with Requirement on European Single Electronic Format (ESEF)

#### Opinion

As part of the audit of the financial statements of Ocean Yield AS, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXGLT422-2023-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

#### Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

#### Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 28 February 2024

KPMG AS

Vegard Tangerud  
*State Authorised Public Accountant*

# ALTERNATIVE PERFORMANCE MEASURES

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Alternative performance measures are defined as numerical measures that either exclude or include amounts that are not excluded or included in the comparable measures calculated and presented in accordance with GAAP (i.e. IFRS).

The following financial measures may be considered an alternative performance measure:

- **EBITDA:** Earnings before financial items, income taxes, depreciation, amortisation, impairment charges and loss from sale of vessels.
- **Adjusted EBITDA:** EBITDA adjusted for Repayment of finance lease receivables and IFRS treatment (straight-lining) of operating lease revenue.
- **EBIT:** Earnings before financial items and income taxes
- **Adjusted net profit:** Net profit adjusted for impairment charges, foreign exchange gains/losses, fair value adjustments of derivatives, changes in deferred tax and non-recurring items.

- **Charter Backlog:** represents the estimated EBITDA backlog from signed contracts. Figures are based on management's estimates which may be subject to change. These include assumptions on certain purchase options in bareboat charter contracts not being exercised, adjustments made for lease effects, investments in joint ventures, currency effects and the forward interest rates for floating rate lease agreements.

The Company believes presenting EBITDA and adjusted EBITDA as useful to investors as they provide other useful measures of Ocean Yield's profitability from its operations. Regarding adjusted EBITDA, the Company believes it is useful for investors to present information showing all vessels accounted for on a consistent basis, as it will more closely reflect the Group's cash flows from operations.

#### Reconciliation of alternative performance measures to the financial statements:

Amounts in USD million	3rd Quarter 2023	4th Quarter 2023	4th Quarter 2022	Jan - Dec 2023	Jan - Dec 2022
Total revenues and other income	54.5	59.8	55.4	237.0	197.3
Vessel operating expenses	-0.3	-0.4	-	-0.6	0.0
Administrative expenses	-2.7	-4.1	-3.6	-12.4	-10.4
<b>EBITDA</b>	<b>51.5</b>	<b>55.3</b>	<b>51.8</b>	<b>223.9</b>	<b>187.0</b>
Repayment on finance lease receivables	26.7	29.1	31.1	112.6	114.9
Adjustment for straightlining operating lease revenue	0.8	3.7	-	4.4	-
<b>EBITDA adjusted for lease effects</b>	<b>79.0</b>	<b>88.2</b>	<b>82.8</b>	<b>341.0</b>	<b>301.9</b>

# FOURTH QUARTER RESULTS 2023

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## HIGHLIGHTS

- EBITDA for Q4 2023 was USD 55.3 million and Adjusted EBITDA was USD 88.2 million.
- Net profit for Q4 2023 was USD 23.3 million.
- Strong balance sheet, with an equity ratio of 28.2% and USD 115.8 million in cash.
- During the quarter, the Company agreed to acquire a 2016-built Suezmax tanker with eight-year bareboat charter to Nordic American Tankers Ltd.
- The Company also agreed to acquire two 2022-built Suezmax tankers with 14-year bareboat charters to guaranteed subsidiaries of Euronav NV.
- The two AHTS vessels previously trading in a pool with Solstad Offshore ASA, commenced new five-year bareboat charters to Viking Supply Ships AB.
- The EBITDA charter backlog at the end of Q4 2023 was USD 4.2 billion with an average remaining contract duration of 10.2 years.

### Key figures

Amounts in USD million	3rd Quarter	4th Quarter	4th Quarter	Jan - Dec	Jan - Dec
	2023	2023	2022	2023	2022
Revenues and other income	54.5	<b>59.8</b>	55.4	<b>237.0</b>	197.3
EBITDA	51.5	<b>55.3</b>	51.8	<b>223.9</b>	187.0
EBITDA adjusted for lease effects	78.2	<b>88.2</b>	82.8	<b>341.0</b>	301.9
Net profit for the period	18.5	<b>23.3</b>	21.1	<b>92.5</b>	91.2
Equity ratio	30.6 %	<b>28.2 %</b>	30.3 %	<b>28.2 %</b>	30.3 %
EBITDA charter backlog (USD bn)	4.1	<b>4.2</b>	3.8	<b>4.2</b>	3.8

## MAIN EVENTS DURING THE FOURTH QUARTER AND POST QUARTER END

### New investments

- During the fourth quarter, Ocean Yield announced that it had agreed to acquire a 2016-built Suezmax tanker with an eight-year bareboat charter to Nordic American Tankers Ltd. with a purchase obligation at the end of the charter period. The vessel was delivered to Ocean Yield during the fourth quarter.
- The Company also announced an agreement to acquire two 2022-built Suezmax tankers with long-term sustainability-linked bareboat charters to guaranteed subsidiaries of Euronav NV. The vessels are built at Daehan Shipbuilding in Korea and one vessel was delivered in December 2023 and the second vessel in January 2024. The bareboat charter rate has a variable element linked to the respective vessel's actual carbon emissions, incentivizing the charterer to keep emissions low. The charter agreements contain purchase obligations at the end of the charter period.

### Funding

- During the quarter, the Company has signed two loan agreements for the long-term financing of six Newcastlemax newbuildings with long-term charters to CMB N.V.
- The Company has signed three loan agreements for the long-term financing of three Suezmax tankers, two of which will be on long-term charter to a guaranteed subsidiary of Euronav NV and one vessel on long-term charter to Nordic American Tankers Ltd.
- The Company has bought back additional amounts in the bond issues OCY06 and OCY07 and currently holds USD 94.8 million in OCY06, where the total nominal outstanding amount is USD 125 million and NOK 460.5 million in OCY07 where the total nominal outstanding amount is NOK 750 million.
- After quarter end, the Company has signed two loan agreements for the long-term financing of two Newcastlemax newbuildings with long-term charters to CMB N.V.

### Portfolio update

- During the quarter, the 5,500 TEU container vessel *Ganges* was delivered from the shipyard in South Korea and commenced a seven-year time-charter to ZIM Integrated Shipping Services Ltd ("ZIM"). The vessel's design enables it to be converted to dual-fuel operation with methanol as fuel. Ocean Yield has one additional newbuilding sister vessels that is expected to be delivered during first half 2024. This vessel is also chartered to ZIM on a seven-year time-charter.

- The two AHTS vessels *Andreas Viking* (previously named FAR Senator) and *Odin Viking* (previously named Normand Statesman) that traded on variable, market related rates in a pool with Solstad Offshore ASA, commenced new five-year bareboat charters to Viking Supply Ships AB.
- During the quarter, purchase options were declared for the PCTC *Höegh Jacksonville* and the Suezmax tanker *Poliegos*. After quarter end, purchase options were declared for the Newcastlemax vessels *Mineral Qingdao*, *Bulk Seoul* and *Bulk Shanghai*, and the PCTC *Höegh Jeddah*.
- After quarter end, *Navig8 Prestige JKB*, *Milos* and *Mineral Qingdao* were delivered to their new owners.

### Dividends

The Board of Directors has not declared a dividend for Q4 2023.

## FOURTH QUARTER FINANCIAL REVIEW

### Profit and Loss

- **Total revenues and other income** for Q4 2023 were USD 59.8 million compared with USD 54.5 million for Q3 2023.
- **Operating lease revenue** was USD 16.8 million compared with USD 15.6 million in Q3 2023. The increase was mainly due to a full quarter with revenues from the container vessel *Danube* delivered in September 2023 and the delivery of the sister vessel *Ganges* in December 2023, partially offset by reclassification of two AHTS vessels to finance lease revenue.
- **Finance lease revenue** was USD 34.3 million in Q4 2023 compared with USD 33.1 million in Q3 2023. The increase was mainly a result of the deliveries of the two Suezmax tankers *Nordic Hawk* and *Cypres* during the fourth quarter.
- **Income from investments in associates**, which is related to vessels owned in joint ventures, was USD 5.8 million, compared with USD 5.8 million in Q3 2023.
- **Other income** was USD 2.9 million in Q4 2023 driven by a reclassification gain due to change from operating to finance lease of the two AHTS vessels which commenced new five-year bareboat charters to Viking Supply Ships AB. This was partly offset by a small loss from the declaration of the purchase option for the Suezmax tanker *Poliegos*.
- **Operating profit** was USD 49.5 million in Q4 2023 compared with USD 45.2 million in Q3 2023.
- **Net financial items** were negative USD 26.7 million in Q4 2023 compared with negative USD 27.0 million in Q3 2023. The change in financial items was primarily related

to drawdown on debt for vessel deliveries in the quarter, higher underlying interest rates and a net negative effect from foreign exchange losses and change in fair value of financial instruments.

- **Net profit for Q4 2023** was USD 23.3 million compared with a net profit for the period of USD 18.5 million in Q3 2023.

#### Balance sheet

- **Cash & cash equivalents** at the end of Q4 2023 were USD 115.8 million, compared with USD 133.8 million at the end of Q3 2023.
- **Book equity** was USD 651.8 million at the end of Q4 2023, compared with USD 672.8 million at the end of Q3 2023. The equity ratio was 28.2% at the end of the quarter.
- **Total interest-bearing debt** was USD 1,600.8 million at the end of Q4 2023 compared with USD 1,462.5 million in Q3 2023.

#### Cash flow

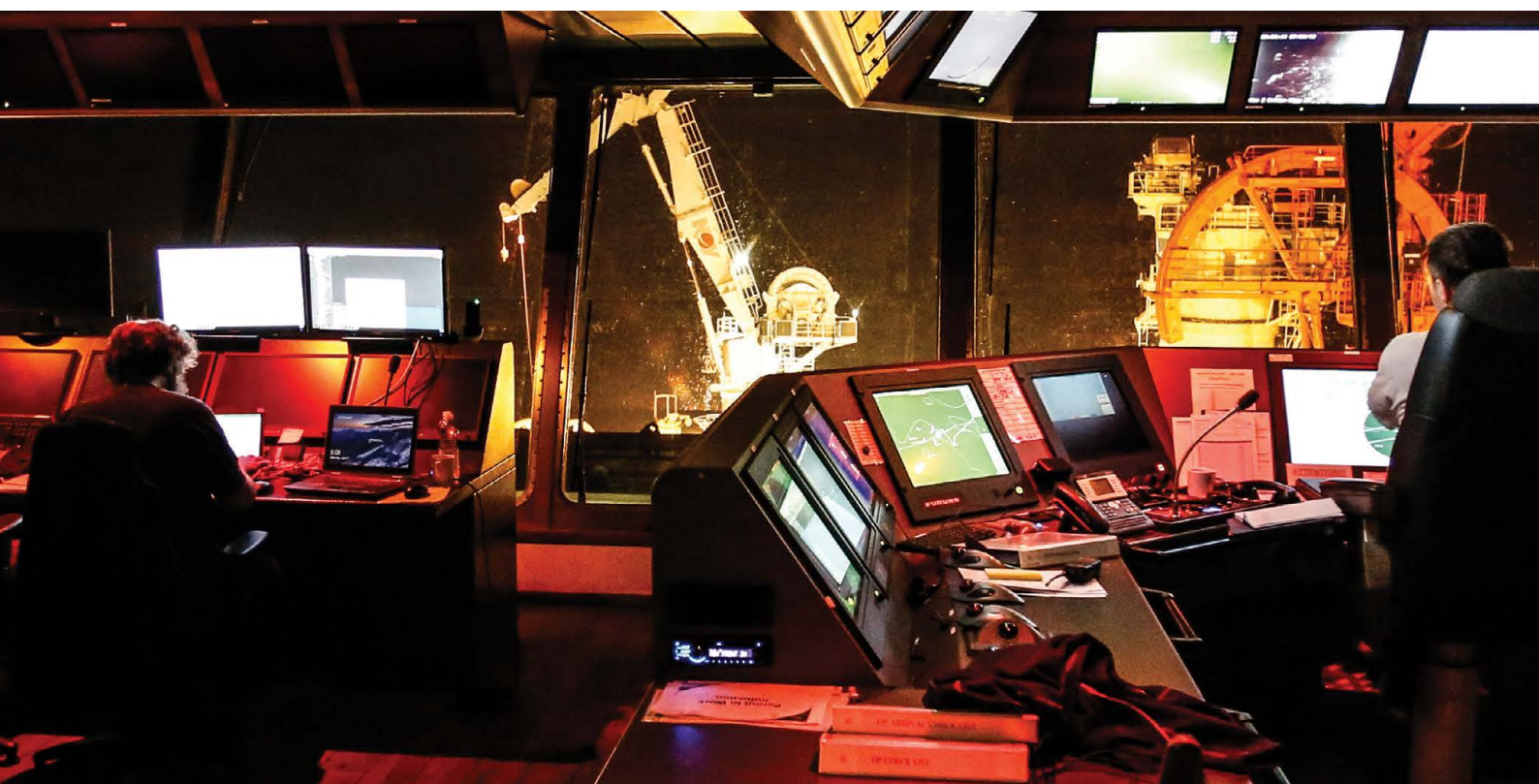
- **Net cash flow from operating activities** was USD 61.3 million in Q4 2023 compared with USD 58.9 million in Q3 2023. The increase compared to Q3 2023 was mainly due to initial payments on new leases commencing during Q4 2023.

- **Net cash flow from investing activities** was negative USD 176.0 million compared with negative USD 73.3 million in Q3 2023. The increase in cash out-flow from investing activities compared to the prior quarter, was mainly attributable to the Company's investments in two second-hand Suezmaxes that commenced new bareboat charters during Q4 2023.

- **Net cash flow from financing activities** was positive USD 100.8 million compared with positive USD 29.4 million in Q3 2023. This was primarily related to the issuance of new long-term debt of USD 229.3 million to finance new investments, repayment of long-term interest-bearing debt of USD 96.7 million and dividends of USD 30.0 million.

#### CHARTER BACKLOG

The EBITDA charter backlog at the end of Q4 2023 was USD 4.2 billion with an average remaining contract duration of 10.2 years. This includes Ocean Yield's pro-rata interest in vessels owned in joint ventures and the repayment of finance lease element for those charters classified as finance lease under IFRS, in addition to purchase obligations and declared options. The total fleet, counted 68 vessels at the end of the fourth quarter, which included wholly and partly owned vessels and vessels under construction. The EBITDA charter backlog and contract duration stated above assumes a transaction scope of 8 vessels for the Newcastlemax transaction announced on 6<sup>th</sup> December 2022 and 26<sup>th</sup> May 2023.



## Quarterly Condensed Consolidated Income Statement (Unaudited)

Amounts in USD million	3rd Quarter 2023	4th Quarter 2023	4th Quarter 2022	Jan - Dec 2023	Jan - Dec 2022
Operating lease revenue	15.6	16.8	17.5	67.7	68.9
Finance lease revenue	33.1	34.3	32.4	134.6	106.3
Income from investments in associates	5.8	5.8	3.9	22.0	18.0
Other income	(0.1)	2.9	1.6	12.7	4.2
<b>Total revenues and other income</b>	<b>54.5</b>	<b>59.8</b>	<b>55.4</b>	<b>237.0</b>	<b>197.3</b>
Vessel operating expenses	(0.3)	(0.4)	-	(0.6)	0.0
Administrative expenses	(2.7)	(4.1)	(3.6)	(12.4)	(10.4)
Depreciation and amortisation	(6.2)	(5.9)	(6.6)	(24.7)	(27.8)
<b>Operating profit</b>	<b>45.2</b>	<b>49.5</b>	<b>45.2</b>	<b>199.2</b>	<b>159.2</b>
Financial income	3.6	4.5	1.8	13.4	3.7
Financial expenses	(28.6)	(31.0)	(25.1)	(116.2)	(72.3)
Foreign exchange gains/losses	(6.8)	(7.3)	(12.6)	(27.5)	15.7
Change in fair value of financial instruments	4.8	7.1	12.1	24.2	(12.7)
<b>Net financial items</b>	<b>(27.0)</b>	<b>(26.7)</b>	<b>(23.7)</b>	<b>(106.2)</b>	<b>(65.6)</b>
<b>Net profit before tax</b>	<b>18.2</b>	<b>22.7</b>	<b>21.4</b>	<b>93.0</b>	<b>93.6</b>
Income tax expense (benefit)	0.3	0.5	(0.4)	(0.5)	(2.4)
<b>Net profit for the period</b>	<b>18.5</b>	<b>23.3</b>	<b>21.1</b>	<b>92.5</b>	<b>91.2</b>
Attributable to:					
Equity holders of the parent	17.3	22.2	17.9	83.9	80.7
Dividends on hybrid capital	1.3	1.1	3.2	8.6	10.5
<b>Net profit for the period</b>	<b>18.5</b>	<b>23.3</b>	<b>21.1</b>	<b>92.5</b>	<b>91.2</b>

## Quarterly Condensed Consolidated Balance Sheet (Unaudited)

Amounts in USD million	30-Sep-23	31-Dec-23	31-Dec-22
<b>ASSETS</b>			
Vessels and equipment	445.1	453.4	475.4
Newbuildings	113.7	96.4	56.2
Investments in associates	196.2	187.8	190.5
Finance lease receivables	994.8	1 109.3	1,113.8
Restricted cash deposits	4.2	0.0	13.1
Other non-current assets	71.8	90.0	65.5
<b>Total non-current assets</b>	<b>1,825.8</b>	<b>1,936.9</b>	<b>1,914.4</b>
Finance lease receivables	199.3	251.9	287.5
Trade receivables and other current assets	37.3	7.0	4.7
Cash and cash equivalents	133.8	115.8	121.9
<b>Total current assets</b>	<b>370.3</b>	<b>374.8</b>	<b>414.0</b>
<b>Total assets</b>	<b>2,196.1</b>	<b>2,311.7</b>	<b>2,328.5</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	271.0	271.0	271.0
Other paid-in capital	128.0	128.0	128.0
<b>Total paid-in capital</b>	<b>399.0</b>	<b>399.0</b>	<b>398.9</b>
Retained earnings and other reserves	242.8	222.6	182.5
<b>Total equity attributable to equity holders of the parent</b>	<b>641.8</b>	<b>621.7</b>	<b>581.4</b>
Hybrid capital	30.9	30.2	125.0
<b>Total equity</b>	<b>672.8</b>	<b>651.8</b>	<b>706.4</b>
Interest-bearing debt	1,299.5	1,323.6	1,226.0
Deferred tax liabilities	8.2	9.4	8.4
Fair value of derivatives	14.2	17.9	14.6
Other non-current liabilities	10.6	-	8.9
<b>Total non-current liabilities</b>	<b>1,332.5</b>	<b>1,350.9</b>	<b>1,257.8</b>
Interest-bearing debt	163.0	277.2	329.6
Fair value of derivatives	2.7	11.4	15.9
Trade and other payables	25.1	20.4	18.7
<b>Total current liabilities</b>	<b>190.8</b>	<b>309.0</b>	<b>364.3</b>
<b>Total liabilities</b>	<b>1,523.3</b>	<b>1,659.8</b>	<b>1,622.1</b>
<b>Total equity and liabilities</b>	<b>2,196.1</b>	<b>2,311.7</b>	<b>2,328.5</b>

## Quarterly Condensed Consolidated Cash Flow Statement (Unaudited)

Amounts in USD million	3rd Quarter 2023	4th Quarter 2023	4th Quarter 2022	Jan - Dec 2023	Jan - Dec 2022
Net profit for the period	18.5	23.3	21.1	92.5	91.2
Income tax expense	-0.3	-0.5	0.4	0.5	2.4
Taxes paid	0.0	-0.1	0.0	-0.9	-0.4
Net interest expenses (+)	24.5	25.9	22.9	100.1	67.4
Interest paid	-29.8	-23.9	-21.4	-106.8	-59.6
Interest received	3.6	4.6	1.5	13.1	3.4
Repayment of finance lease receivables	26.7	36.2	31.1	119.6	114.9
Cash from straightlining operating lease revenue	0.8	3.7	-	4.4	-
Depreciation and amortisation	6.2	5.9	6.6	24.7	27.8
Income from investments in associates	-5.8	-5.8	-3.9	-22.0	-18.0
Dividends from investments in associates	12.6	1.7	1.0	14.4	21.8
Gains/losses and other non-cash items	0.1	-1.4	-0.0	-8.1	-0.4
Unrealised foreign exchange gains/losses	2.1	8.3	12.6	26.1	-16.0
Change in fair value of financial instruments	-4.7	-7.1	-12.1	-24.2	12.7
Changes in other operating assets and liabilities	4.2	-9.3	2.4	2.4	-0.7
<b>Net cash flow from operating activities</b>	<b>58.9</b>	<b>61.3</b>	<b>62.1</b>	<b>235.8</b>	<b>246.3</b>
Acquisition of vessels and equipment	-3.4	-1.2	0.1	-5.8	-1.1
Proceeds from sale of vessel	-0.0	-	-	106.4	22.0
Additions to newbuildings	-96.8	-67.2	-26.5	-208.4	-56.2
Cash outflow from vessels accounted for as finance lease	-	-95.5	-30.0	-95.5	-101.5
Proceeds from sale of finance leased vessels	41.4	-0.0	48.2	123.6	90.6
Net cash flow from other non-current assets	-19.4	-13.0	-64.0	-52.2	-79.9
Proceeds from capital reduction in associates	1.6	-	-0.0	1.6	30.8
Net cash flow from restricted cash and other investing activities	3.3	0.9	3.3	13.0	-7.5
<b>Net cash flow from investing activities</b>	<b>-73.3</b>	<b>-176.0</b>	<b>-68.9</b>	<b>-117.2</b>	<b>-102.9</b>
Proceeds from issuance of interest-bearing debt	125.2	229.3	101.7	616.7	180.4
Repayment of interest-bearing debt	-81.2	-96.7	-73.0	-571.8	-230.9
Repayment of finance lease liabilities	-	-0.1	-0.1	-0.1	-0.3
Dividends paid	-	-30.0	-20.0	-30.0	-80.0
Repayment and dividends on hybrid capital	-13.9	-1.7	-3.2	-103.4	-10.5
Net change in other financing activities	-0.7	-0.0	-	-5.0	-
<b>Net cash flow from financing activities</b>	<b>29.4</b>	<b>100.8</b>	<b>5.5</b>	<b>-93.5</b>	<b>-141.2</b>
<b>Net change in cash and cash equivalents</b>	<b>14.9</b>	<b>-13.9</b>	<b>-1.3</b>	<b>25.1</b>	<b>2.3</b>
Exchange rate differences	2.9	-4.2	1.3	-31.2	-1.7
Cash and cash equivalents at beginning of the period	115.9	133.8	121.9	121.9	121.2
<b>Cash and cash equivalents at the end of the period</b>	<b>133.7</b>	<b>115.8</b>	<b>121.9</b>	<b>115.8</b>	<b>121.9</b>



OCEANYIELD.NO

**Ocean Yield AS**  
Oksenøyveien 10  
Lysaker, Norway

Postal address  
P.O. Box 513  
NO-1327 Lysaker  
Norway

post@oceanyield.no  
[www.oceanyield.no](http://www.oceanyield.no)