



BELSHIPS

QUARTERLY REPORT – Q1 2024

8 May 2024

Belships ASA

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www.belships.com

Enterprise no: NO 930776793 MVA



SIMPLIFYING THE BUSINESS AND 100 PER CENT PAYOUT

HIGHLIGHTS

- EBITDA of USD 31.3m including USD 4.7m from Lighthouse Navigation
- Net result of USD 15.7m
- Declared dividend of NOK 0.60 per share – 100 per cent pay out due to solid cash position
- TCE of USD 16 731 gross per day for owned fleet – 29 per cent outperformance of BSI-58
- Prepaid USD 13.5m of bank debt – increasing the number of debt free vessels to four
- 74 per cent of ship days in Q2 2024 are fixed at USD 16 700 gross per day
- 43 per cent of ship days in the next four quarters are fixed at USD 16 500 gross per day
- Cash breakeven for 2024 of about USD 10 900 per day per vessel
- Modern fleet of 40x Supra/Ultramax vessels including 10x newbuildings

Subsequent events

Belships has entered into an agreement to divest its stake of 50 per cent in Lighthouse Navigation Pte Ltd, which is a dry bulk operating company based in Asia. In exchange for these shares, Belships has acquired 33 per cent of the shares in Lighthouse Navigation Management AS, increasing Belships' ownership to 67 per cent in the company which focuses on dry bulk operating in the Atlantic. In addition, Belships will receive a cash consideration of USD 14m which will be paid to Belships over the next 15 months. This transaction is aimed at focusing and simplifying Belships' investment within dry bulk operating. Please see further information under 'Lighthouse Navigation' below.

Belships has expanded its newbuilding program with two new 64 000 dwt Ultramax bulk carriers which will be delivered in 2028. The vessels are leased on similar terms as previously announced transactions, and Belships is not required to make any down payments for these vessels. The agreements are conditional upon certain steps to be completed by the parties involved.

Belships has agreed to amend a USD 90m Term Loan Facility for six vessels, which is the only senior secured bank loan in the company today. Four vessels will remain debt free. The Loan Facility has an interest rate of SOFR+195 bps which is 55 bps lower than the previous facility. The loan matures in April 2029 and the first instalment is due in 2025. Furthermore, a new undrawn Accordion Tranche of USD 100m will be available. The lenders in the Loan Facility are DNB Bank, Nordea and Sparebank 1 SR-Bank.

Financial results commentary

Belships reports a net result of USD 15.7m for the quarter compared to USD 22.6m in the previous quarter. The lower net result is primarily caused by a lower EBITDA contribution from Lighthouse Navigation.

Time charter equivalent earnings (TCE) in the quarter was USD 16 731 gross per vessel per day. In comparison, the Baltic Supramax Index (BSI-58) averaged USD 12 961 gross per day. Ultramax vessels typically earn 115 to 120 per cent of the Supramax index. The remaining outperformance is due to period time charter contracts at levels above market rates.

Ship operating expenses amounted to USD 5 512 per vessel per day during the quarter compared to USD 5 403 per vessel per day in the previous quarter.

**Fleet status**

The fleet sailed without significant off-hire with a total of 2 718 on-hire vessel days in the quarter.

Since December, Belships vessels have not transited the Red Sea, and none of our vessels have been involved in any related incidents.

Contract coverage	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Fixed-rate contracts	74%	46%	32%	20%
Average fixed-rate (USD/day)	16 700	16 600	16 250	16 500
Index-linked contracts	21%	35%	26%	23%
Open/Uncontracted	5%	19%	42%	57%
	100%	100%	100%	100%

Belships currently has 10 vessels chartered out on floating index-linked contracts on varying durations, at an average premium of 116 per cent to the Baltic Supramax Index (BSI-58). Belships has the option to convert any part of the remaining period to a fixed rate based on the prevailing FFA curve from time to time.

Cash breakeven for 2024 is expected to be about USD 10 900 per vessel per day. This includes OPEX, interest and amortisation, G&A and drydocking expenditures.

Newbuildings

BELGRACE	expected delivery Q4 2024
BELFORTUNE	expected delivery Q4 2025
BELFOX	expected delivery Q4 2025-Q1 2026
BELFUTURE	expected delivery Q1 2026
BELAVANTI	expected delivery H2 2026
BELROSSO	expected delivery H2 2026
BELTEMPO	expected delivery H1 2027
BELVICTORY	expected delivery Q2-Q3 2027
NEWBUILD 9	expected delivery H1 2028
NEWBUILD 10	expected delivery Q2-Q3 2028

Belships now has a total of 10 newbuildings under construction at Japanese shipyards with delivery between 2024 and 2028. All vessels are leased on time charter for a period of 7 to 10 years from delivery, with purchase options around current market levels. There is no obligation to purchase any of the vessels. Cash breakeven for the vessels upon delivery is about USD 14 250 per day on average. Belships is not using any equity, therefore this newbuilding program will not have any impact on cash and dividend capacity during the construction period.

The Japanese-designed bulk carriers entering the fleet represent the highest quality and lowest fuel consumption available in the market today and will contribute to further reduce Belships' carbon emissions on an intensity-basis.

**Lighthouse Navigation**

Lighthouse Navigation recorded an EBITDA of USD 4.7m for the quarter and continues to contribute to Belships profitability and dividend capacity. About 40 per cent of the EBITDA result in Q1 2024 was contributed by Lighthouse Navigation in the Atlantic.

Further to the announcement about the change in ownership in Lighthouse Navigation, please note as follows:

Lighthouse Navigation Pte Ltd was founded in 2009 and operates mainly in Asia. Belships owned 50 per cent of this company, the leading employees own the remaining shares.

Lighthouse Navigation Management AS (and its 100 per cent subsidiary Lighthouse Navigation AS) was founded in 2020 and operates mainly in the Atlantic and shares an office with Belships in Oslo. Belships owned 34 per cent of this company, Lighthouse Navigation Pte Ltd owned 33 per cent, and the leading employees own the remaining shares.

After the announced transaction has been completed Belships will no longer own shares in Lighthouse Navigation Pte Ltd, and the shareholding in Lighthouse Navigation Management AS has increased to 67 per cent. In addition, Belships will receive a cash consideration of USD 14m which will be paid over the next 15 months.

As from Q2 2024 the reported and consolidated results from Lighthouse Navigation will only be from the Atlantic operating company.

The average EBITDA per quarter in the last three years for Lighthouse Navigation in the Atlantic has been USD 3.8m.

Sustainability

Belships aims for high standards in corporate governance and is well placed to deliver emission cuts in line with industry ambitions for 2030. Belships publishes a sustainability report on an annual basis (ESG Report) reflecting our commitment to transparency and efforts to meet investor and stakeholder expectations.

Belships was ranked in the top quartile in the Webber Research Report: 2023 ESG Scorecard, which aims to identify where each company ranks against its listed peers within the shipping industry.

Belships' vessels are compliant with the new emission regulations from IMO without additional investments signalling the competitive advantage of owning a modern fleet.

Financial and corporate matters

At the end of the quarter, cash and cash equivalents totalled USD 120.2m, whilst interest bearing bank debt amounted to USD 89.0m, after having prepaid USD 13.5m in the quarter.

Belships now has four unencumbered vessels.

Leasing liabilities at the end of the quarter amounted to USD 453.6m.

All leased vessels are calculated with the assumption that purchase options to acquire the vessels will be exercised. However, Belships has no obligation to acquire any of the leased vessels.



All lease agreements have fixed interest rates for the entire duration of the contracts and all purchase options are denominated in USD.

At the end of the quarter, book value per share amounted to NOK 13.1 (USD 1.21), corresponding to a book equity ratio of 34 per cent. Value-adjusted equity is significantly higher.

Dividend policy

Belships ASA aims to distribute quarterly cash dividends targeting about 50 per cent of net result adjusted for non-recurring items. Other surplus cash flow may be used for accelerated amortisation of debt, share buy-backs or vessel acquisitions considered to be accretive to shareholders' value.

Dividend payment

Based on the financial result in Q1 2024 the Board declared a dividend payment of NOK 0.60 per share (USD 13.6m in total) equivalent to 100 per cent of the net result adjusted for minority interests. The decision to pay out 100 per cent was made on the basis of recent transactions announced and the solid cash position.

This brings the total dividends paid out since Q2 2021 to NOK 9.30 per share, which is 140 per cent of the share price from the time of the merger between Belships and the Lighthouse Group in December 2018. Total declared dividends amount to USD 237.9m which corresponds to 73 per cent of the net result adjusted for minority interests in the period.

Market highlights

In the first quarter, the Baltic Supramax Index (BSI-58) averaged USD 12 961 per day – down from USD 14 148 per day in the preceding quarter. The Baltic Ultramax Index (BSI-63) averaged USD 15 268 per day in the first quarter, down from USD 16 189 per day in the preceding quarter. Average earnings in the first quarter were relatively high historically, with only the first quarters of 2021 and 2022 being higher in the last 15 years.

Asset values continued to rise in the first quarter. According to Fearnleys assessments, a 5-year-old Japanese-built Ultramax rose from USD 30.0m to USD 34.0m, and a 10-year-old Japanese-built Ultramax rose from USD 24.0m to USD 27.5m.

According to Fearnleys, preliminary estimates for Q1 2024 shipment volumes were 272 million tonnes, down from 280 million tonnes in Q4 2023. The highest growth rates (year-on-year) were seen in iron ore (28 per cent), steels (27 per cent) and fertilizers (7.5 per cent). Minor bulks (-3.5 per cent) and coal (-4.5 per cent) contributed negatively, whereas breakbulk (0.2 per cent) and grains (2.7%) grew slightly. Total shipment volume growth was 3.4 per cent.

Port congestion, as measured by the average waiting time in port for ships to discharge, remained at similar levels to the fourth quarter of last year. However, waiting time in port for ships to load dropped, as the grain shipment season and ensuing delays on the east coast of South America ended. The average sea voyage duration for the total Supramax/Ultramax fleet continued to increase in the first quarter, due to vessels avoiding the Suez Canal. The total average voyage duration thus remained unchanged in the first quarter compared to the fourth quarter.

37 Supra/Ultramax vessels were delivered in the first quarter of 2024, compared to 38 vessels in the previous quarter, according to Fearnleys. 119 vessels remain to be delivered in 2024. The number of ships delivered per quarter compares to an existing fleet of Supra/Ultramax vessels on the water



today of about 4 100 in total. Fleet growth has been around 3.5 per cent since May 2023. According to Fearnleys, this rate of fleet growth will be maintained through 2024. The orderbook for dry bulk remains close to all-time lows at slightly over 8 per cent.

Relatively low newbuilding activity for dry bulk continues as higher prices as well as full orderbooks and continued high demand for other vessel segments dictate the position with shipyards. Lack of conviction and alternatives for fuel and propulsion systems also appear to restrain new orders to some extent.

Available delivery positions with reputable shipyards appear increasingly distant, with some new orders being reported in 2027, and 2028. A potential lead time of four years for a bulk carrier is unprecedented.

Outlook

The Baltic Exchange Supramax index is currently at about USD 16 000, which translates into USD 18 500 for Ultramax bulk carriers in the spot market. The FFA market (Forward Freight Agreements) currently indicates a market average of around USD 17 500 for an Ultramax bulk carrier for the remaining part of 2024. Ship values have increased significantly, and demand is particularly strong for modern and economical Ultramax bulk carriers.

The change in ownership in Lighthouse Navigation companies allows Belships to focus and simplify its investment in dry bulk operating. We believe this will make our company easier to understand and contribute to increasing the market valuation of Belships.

Belships has fixed-rate contract coverage for 74 per cent of ship days in Q2 2024 at about USD 16 700 per day, and 43 per cent of ship days in the next four quarters at about USD 16 500 per day. Furthermore, we now have ten vessels chartered out on floating rate, index-linked contracts. This is because we believe the rates and market sentiment has a good probability of improving during the next year. All period contracts are fixed with highly reputable and recognised charterers.

Belships financing has been secured for many years ahead, and most of the debt is with fixed interest rates significantly below current market levels. Belships is therefore able to combine meaningful leverage with a low cash breakeven of USD 10 900 per day per vessel in 2024.

With 10 Ultramax newbuildings under construction for delivery between 2024 and 2028, Belships will be taking over new vessels whilst the orderbook and the rate of supply growth approaches the lowest levels in 30 years. Since they are all leased without Belships investing any equity, this will not affect our dividend capacity before delivery. We believe the best way for Belships to approach the green shift is to own and operate the most efficient vessels currently available, with a financing structure that gives unparalleled optionality and flexibility.

We are focused on financial discipline and returning capital to our shareholders. A competitive return for our shareholders is to be obtained through an increase in the value of the company's shares and the payment of dividends, as measured by the total return.

Based on Belships' current contract coverage and market expectations, we expect to generate free cash flow and continue to pay quarterly dividends.



8 May 2024

THE BOARD OF BELSHIPS ASA

Peter Frølich

Chair

Frode Teigen

Sten Stenersen

Marianne Møgster

Carl Erik Steen

Birthe Cecilie Lepsøe

Jorunn Seglem

Lars Christian Skarsgård

CEO

**CONSOLIDATED STATEMENT OF INCOME***The quarterly figures are not audited*

USD 1 000		Q1 2024	Q1 2023	2023
Gross freight revenue	Note	154 778	147 864	563 441
Voyage expenses		-42 762	-36 768	-139 085
Net freight revenue	2	112 016	111 096	424 356
Management fees		1 507	531	3 408
Operating income	2	113 522	111 627	427 764
Share of result from j/v and assoc. comp.		2 206	3 430	6 407
T/C hire expenses		-63 863	-51 731	-194 155
Ship operating expenses		-15 710	-14 335	-60 865
Operating expenses management companies		-3 674	-4 282	-16 306
General and administrative expenses		-1 185	-1 340	-5 233
Operating expenses		-82 227	-68 258	-270 152
EBITDA		31 295	43 369	157 612
Depreciation and amortisation		-10 629	-11 271	-45 738
Gain on sale of ships		0	0	316
Other gains/(-losses)		688	1 830	350
Operating result (EBIT)		21 354	33 928	112 539
Interest income		1 110	412	2 527
Interest expenses		-7 532	-8 472	-33 184
Other financial items		39	-553	2 065
Currency gains/(-losses)		-327	2 152	1 049
Net financial items		-6 710	-6 461	-27 543
Result before taxes		14 644	27 467	84 996
Taxes		1 011	-3 193	-7 562
Net result from continuing operations		15 655	24 274	77 434
Result from discontinuing operation	5	0	348	8 806
Net result for the period		15 655	24 622	86 240
Hereof majority interests		13 602	20 558	75 895
Hereof non-controlling interests		2 053	4 064	10 346
Earnings per share for continuing operations		0,06	0,10	0,31
Diluted earnings per share for continuing operations		0,06	0,09	0,30
Earnings per share		0,06	0,10	0,34
Diluted earnings per share		0,06	0,10	0,34

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Q1 2024	Q1 2023	2023
Net result		15 655	24 622	86 240
<i>Items that may be subsequently reclassified to profit or (loss):</i>				
Exchange differences		-173	-1 051	-29
Total comprehensive income		15 482	23 571	86 211
Hereof majority interests		13 626	19 372	75 870
Hereof non-controlling interests		1 855	4 200	10 342
Majority interests from continuing operations		13 626	19 024	67 064
Majority interests from discontinuing operations		0	348	8 806

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION***The quarterly figures are not audited*

USD 1 000		31 Mar 2024	31 Mar 2023	31 Dec 2023
NON-CURRENT ASSETS				
Intangible assets	<i>Note</i>	344	0	0
Ships	3	721 364	771 282	731 596
Property, Plant and Equipment		355	3 930	883
Investments in j/v and assoc. companies		7 622	14 936	9 934
Other non-current assets		1 098	1 080	2 956
Total non-current assets		730 783	791 228	745 370
CURRENT ASSETS				
Bunker inventory		14 344	15 862	8 556
Current receivables		41 187	59 991	50 662
Cash and cash equivalents		120 176	127 691	128 276
Total current assets		175 706	203 544	187 495
Total assets		906 490	994 772	932 864
EQUITY AND LIABILITIES				
Equity				
Paid-in capital		131 936	140 402	141 736
Retained earnings		137 264	118 351	128 935
Non-controlling interests		37 863	33 699	34 890
Total equity		307 063	292 451	305 561
NON-CURRENT LIABILITIES				
Deferred tax		5 287	3 146	6 537
Long-term interest-bearing debt	4	516 923	580 047	536 668
Other non-current liabilities		910	1 780	954
Total non-current liabilities		523 120	584 973	544 160
CURRENT LIABILITIES				
Current portion of interest-bearing debt	4	25 660	30 022	26 735
Other current liabilities		50 647	87 326	56 409
Total current liabilities		76 307	117 348	83 144
Total equity and liabilities		906 490	994 772	932 864

**CONSOLIDATED STATEMENT OF CASH FLOW***The quarterly figures are not audited*

USD 1 000	31 Mar 2024	31 Mar 2023	31 Dec 2023
Cash flow from operating activities			
Net result before taxes	14 644	27 467	84 996
Adjustments to reconcile profit before tax to net cash flows:			
Depreciations/impairment on fixed assets	10 629	11 271	45 738
Gain on sale of fixed assets and other gains	-688	-1 830	-666
Share-based compensation expense	-320	0	1 278
Share of result from j/v and associated companies	-2 206	-3 430	-6 407
Dividend received from j/v and associated companies	0	0	26 204
Net finance costs	6 710	6 461	27 543
Change in current items	291	-12 576	-24 910
Interest received	1 110	413	2 527
Interest paid	-7 532	-8 472	-33 184
Financing costs	-166	-633	-700
Income tax paid	-298	-3	-1 526
Net cash flow from operating activities	22 175	18 668	120 893
Cash flow from investing activities			
Proceeds from sale of ships	0	0	27 082
Proceeds from sale of shares in subsidiary	2 139	0	10 666
Additions to ships	0	-979	-1 848
Other investments	58	0	0
Net cash flow from investing activities	2 197	-979	35 900
Cash flow from financing activities			
Proceeds from non-current debt	0	16 500	18 900
Repayment of non-current debt	-18 172	-17 914	-108 272
Dividend paid	-14 300	-17 957	-58 752
Dividend paid to non-controlling interests	0	-10 498	-20 265
Net cash flow from financing activities	-32 472	-29 869	-168 389
Net change in cash and cash equivalents during the period	-8 100	-12 180	-11 596
Cash and cash equivalents at 1 January	128 276	139 871	139 871
Cash and cash equivalents at end of period (incl. restricted cash)	120 176	127 691	128 276

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY***The quarterly figures are not audited*

USD 1 000

	Majority interest				Retained	Non-controlling interests	Total equity
	Paid-in		Share premium reserves	Other paid-in equity			
	Share capital	Treasury shares					Other equity
As at 31 March 2024							
Equity as at 31 December 2023	59 466	-128	62 228	20 170	128 935	34 890	305 561
Dividend paid	0	0	0	-10 120	-4 180	0	-14 300
Share-based payment expenses	0	0	0	320	0	0	320
NCI transactions	0	0	0	0	-1 118	1 118	0
Net result for the period	0	0	0	0	13 602	2 053	15 655
Other comprehensive income	0	0	0	0	24	-197	-173
Total comprehensive income	0	0	0	0	13 626	1 855	15 482
Equity as at 31 March 2024	59 466	-128	62 228	10 370	137 264	37 863	307 063
As at 31 March 2023							
Equity as at 31 December 2022	59 466	-128	62 228	36 793	98 864	40 112	297 335
Dividend paid	0	0	0	-17 957	0	-10 498	-28 455
NCI transactions	0	0	0	0	115	-115	0
Net result for the period	0	0	0	0	20 559	4 064	24 622
Other comprehensive income	0	0	0	0	-1 187	136	-1 051
Total comprehensive income	0	0	0	0	19 372	4 200	23 571
Equity as at 31 March 2023	59 466	-128	62 228	18 836	118 351	33 699	292 451

**KEY FINANCIAL FIGURES**

		31 Mar 2024	31 Mar 2023	31 Dec 2023
EBITDA	USD 1000	31 295	43 369	157 612
Interest coverage ratio		2.84	4.00	3.39
Current ratio		2.30	1.73	2.26
Equity ratio		0.34	0.29	0.33
Earnings per share	USD	0.06	0.10	0.34
Earnings per share	NOK	0.67	1.02	3.47
Equity per share	USD	1.21	1.16	1.21
Equity per share	NOK	13.10	12.10	12.28
Average issued shares		253 136 666	253 136 666	253 136 666
Diluted average issued shares (excl. treasury shares)		255 289 154	257 764 866	254 421 458

DEFINITION OF NON-IFRS FINANCIAL MEASURES

The Group's financial information is prepared in accordance with international financial reporting standards ("IFRS") as adopted by the European Union. In addition, it is the management's intention to provide alternative performance measures that are regularly reviewed by management to enhance the understanding of the Group's performance, but not instead of, the financial statements prepared in accordance with IFRS. The alternative performance measures presented may be determined or calculated differently by other companies. Due to the recent establishment of the enlarged Group, Management is in the initial phase of assessing its external financial reporting and performance measures are therefore subject to change.

The alternative performance measures are intended to enhance comparability of the results and to give supplemental information to the users of the Group's external reporting.

- *Time charter equivalent (TCE)* - is defined as Gross freight revenues divided by the number of available on-hire days
- *Current ratio* - is defined as total current assets, divided by total current liabilities
- *EBITDA* - is the earnings before interest, taxes, depreciation and amortisation
- *EBIT* - is the earnings before interest and taxes. It can be calculated by the result before tax added by the interest
- *Equity ratio* - is equal to shareholders' equity including non-controlling interest, divided by total assets
- *Interest coverage ratio* - is equal to earnings before interest and taxes (EBIT), divided by interest expenses
- *Book equity per share* - is defined as total equity, divided by number of issued shares at end of period



NOTES TO THE CONSOLIDATED ACCOUNTS

The consolidated financial statements are presented in USD thousands unless otherwise indicated

Note 1 Accounting principles

These interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting". They do not include all the information required for full annual financial reporting and should be read in conjunction with the consolidated financial statements of Belships for the year ended 31 December 2023.

EPS is calculated based on average number of outstanding shares in the period in Belships ASA.

This report was approved by the Board of Directors on 8 May 2024.

**Note 2 Segment information**

The company has restated previously reported segment information to reflect changes in the reportable segments caused by the divestment of Belships Management Singapore and changes in management reporting in the group.

<i>USD 1 000</i>				
January - March 2024				
	<i>Belships</i>	<i>Lighthouse Navigation</i>	<i>Eliminations</i>	<i>Total</i>
Gross freight revenue	45 476	108 927	375	154 778
Voyage expenses	-2 643	-40 661	541	-42 762
Net freight revenue	42 833	68 266	916	112 016
Management fees	0	2 423	-916	1 507
Operating income	42 833	70 689	0	113 522
Share of result from j/v and associated companies	0	2 206	0	2 206
T/C hire expenses	0	-63 863	0	-63 863
Ship operating expenses	-15 049	-662	0	-15 710
Operating expenses management companies	0	-3 674	0	-3 674
General and administrative expenses	-1 185	0	0	-1 185
Operating expenses	-16 234	-65 993	0	-82 227
EBITDA	26 600	4 696	0	31 295
Depreciation and amortisation	-9 307	-1 322	0	-10 629
Other gains/-losses	278	410	0	688
Operating result (EBIT)	17 570	3 783	0	21 354
Interest income	895	154	0	1 048
Interest expenses	-7 513	-20	0	-7 532
Other financial items	-229	329	0	100
Currency gains/(-losses)	-659	332	0	-327
Net financial items	-7 506	796	0	-6 710
Result before taxes	10 065	4 579	0	14 644
Taxes	1 250	-239	0	1 011
Net result from continuing operations	11 315	4 340	0	15 655
Result from discontinuing operation	0	0	0	0
Net result for the period	11 315	4 340	0	15 655
Hereof majority interests	11 315	2 287	0	13 602
Hereof non-controlling interests	0	2 053	0	2 053
Assets	792 385	114 105	0	906 490
Liabilities	552 094	47 332	0	599 427

**Note 2 Segment information, continued**

January - March 2023				
USD 1 000				
	<i>Belships</i>	<i>Lighthouse Navigation</i>	<i>Eliminations</i>	<i>Total</i>
Gross freight revenue	54 482	92 998	384	147 864
Voyage expenses	-3 032	-34 345	609	-36 768
Net freight revenue	51 450	58 653	993	111 096
Management fees	0	2 561	-2 030	531
Operating income	51 450	61 214	-1 037	111 627
Share of result from j/v and associated companies	0	3 430	0	3 430
T/C hire expenses	0	-51 731	0	-51 731
Ship operating expenses	-14 904	-468	1 037	-14 335
Operating expenses management companies	0	-4 282	0	-4 282
General and administrative expenses	-1 340	0	0	-1 340
Operating expenses	-16 244	-53 051	1 037	-68 258
EBITDA	35 206	8 163	0	43 369
Depreciation and amortisation	-9 694	-1 577	0	-11 271
Other gains/losses	0	1 830	0	1 830
Operating result (EBIT)	25 512	8 416	0	33 928
Interest income	215	197	0	412
Interest expenses	-8 473	2	0	-8 472
Other financial items	-700	147	0	-553
Currency gains/(-losses)	2 241	-89	0	2 152
Net financial items	-6 717	257	0	-6 461
Result before taxes	18 795	8 673	0	27 467
Taxes	-3 151	-42	0	-3 193
Net result from continuing operations	15 644	8 631	0	24 274
Result from discontinuing operation	348	0	0	348
Net result for the period	15 992	8 631	0	24 622
Hereof majority interests	15 992	4 567	0	20 559
Hereof non-controlling interests	0	4 064	0	4 064
Assets	862 063	132 709	0	994 772
Liabilities	633 870	68 451	0	702 321

**Note 3 Ships**

At the end of each reporting period, the Group assesses whether there are any impairment indicators present. The Group has concluded that there are no impairment indicators pursuant to IAS 36.

Note 4 Interest-bearing debt

The company considers all its bareboat and time charter agreements to meet the lease definition under IFRS 16. The long-term time charter contracts contain both lease and service components.

Specification of Lease Agreements

Lease liabilities at the end of the quarter were USD 453.6m. Corresponding right-of-use assets, including upfront payments relating to the purchase options, were recorded at USD 509.3m.

Vessel	Built year	Leased year	Ownership	Lease maturity	Purchase option	Discount rate	NPV of lease payments	NPV of purchase option	Current	Non-current
Belships vessels										
BELMONDO	2023	2023	Bareboat	2033	2027-2033	4.7%	11 134	17 208	1 335	27 008
BELYAMATO	2022	2022	Bareboat	2032	2026-2032	4.4%	10 409	16 679	1 366	25 722
BELTOKYO	2021	2021	Bareboat	2033	2025-2033	4.6%	8 703	18 179	1 405	25 476
BELFORCE	2021	2021	Bareboat	2031	2024-2031	4.6%	7 055	14 213	1 290	19 979
BELKNIGHT	2021	2021	Bareboat	2028	2024-2028	5.2%	8 676	11 899	1 221	19 355
BELTRADER	2021	2021	Bareboat	2031	2025-2031	5.1%	8 473	12 005	1 180	19 298
BELGUARDIAN	2021	2021	Bareboat	2031	2025-2031	5.1%	8 473	12 005	1 180	19 298
BELMAR	2021	2021	Bareboat	2031	2025-2031	5.2%	14 974	10 267	1 181	24 061
BELFAST	2021	2021	Bareboat	2031	2025-2031	6.3%	12 693	9 668	913	21 447
BELAJA	2020	2020	Bareboat	2027	2024-2027	5.7%	6 171	14 271	1 252	19 190
BELMOIRA	2020	2020	Bareboat	2027	2024-2027	5.7%	6 001	14 336	1 258	19 080
BELFUJI	2020	2020	Time Charter	2028	2024-2028	6.4%	7 969	18 149	797	25 322
BELNIKE	2020	2020	Time Charter	2027	2025-2027	5.0%	6 958	19 133	1 104	24 988
BELTANGO	2020	2020	Time Charter	2027	2025-2027	5.0%	6 995	21 437	921	27 512
BELFORTE	2019	2019	Time Charter	2026	2022-2026	5.0%	5 241	21 760	818	26 183
BELRAY	2019	2019	Bareboat	2026	2023-2026	5.6%	5 497	14 585	1 299	18 782
BELISLAND*	2016	2021	Bareboat	2032	2024-2032	4.5%	8 748	8 529	1 454	15 824
BELLIGHT*	2016	2022	Bareboat	2032	2024-2032	4.4%	7 924	9 712	1 466	16 170
BELFOREST*	2015	2022	Bareboat	2033	2025-2033	4.2%	8 158	11 391	1 476	18 073
BELHAWK*	2015	2021	Bareboat	2031	2024-2031	4.5%	9 283	7 164	1 551	14 896
Lighthouse Navigation vessels										
Texel Island	2012	2022	Time Charter	2024	N/A	5.25%	0	0	0	0
Quanzhou	2017	2023	Time Charter	2024	N/A	5.25%	1 033	0	1 033	0
Total Ships							170 569	282 591	25 498	427 662
Offices	N/A	N/A	Lease	2021-2063	N/A	5-6%	461	0	163	298
Total lease liabilities							171 030	282 591	25 660	427 960

*) The bareboat charters for BELHAWK, BELFOREST, BELLIGHT and BELISLAND are accounted for as financial liability under IFRS 9. Belships has elected to present these vessels under lease liabilities in the disclosure as this better reflects the economic substance of the entered sale leaseback transactions.

**Payment Schedule**

	2024	2025	2026	2027	2028	Subsequent	Total
Lease payments	-34 976	-46 514	-45 550	-33 756	-17 575	-11 300	-189 671
Exercising purchase options	0	0	-58 200	-102 200	-153 295	-29 700	-343 395
Total	-34 976	-46 514	-103 750	-135 956	-170 870	-41 000	-533 066

All lease agreements have fixed interest rates for the entire duration of the charters. The cash flow above includes interest payments. Belships has no obligation to purchase any of the leased vessels. All purchase options are denominated in USD.

Loan Facilities

Interest bearing bank debt at the end of the quarter amounted to USD 89.0m. Transactions costs related to the mortgage debt were initially recorded as a reduction of debt in the balance sheet and is subsequently amortised over the loan period in accordance with the amortised cost principle.

The Group voluntarily prepaid USD 13.5m of bank debt during the quarter.

Belships was in compliance with all covenants during the quarter.

Repayment Schedule

	2024	2025	2026	2027	2028	Subsequent	Total
Instalments	-	-8 310	-8 310	-8 310	-8 310	-56 760	-90 000
Interests	-4 725	-6 009	-5 427	-4 846	-4 264	-1 324	-20 236
Total	-4 725	-14 319	-13 737	-13 156	-12 574	-58 084	-110 236

The repayment schedule takes into account the refinancing described under subsequent events.

**Note 5 Discontinued operations**

In June, Belships entered into an agreement to divest its 100 per cent shareholding in Belships Management (Singapore) Pte Ltd., a technical and crew management company established in 1983, which currently manages dry bulk vessels for Belships ASA and other international clients. The shares have been acquired by a company in V. Group. An office lease in Singapore is in process of being sold, and the proceeds will be received by Belships ASA. Closing of the transaction was completed on 30th June 2023.

Furthermore, Belships entered into a strategic partnership with V. Group for Belships' fleet and ship management business. Following the acquisition by V. Group, Belships Management (Singapore) will continue to be the sole provider of ship management services to Belships ASA, leveraging V. Group's unique and fully scalable ship management platform. The Belships Management (Singapore) organisation will be integrated into V. Group, forming an industry-leading centre of expertise for dry bulk operations. This partnership was formalised on 30th June 2023.

Discontinued operations

Discontinued operations include intercompany transactions between Belships Management Singapore and the ship owning companies in Belships ASA. Deferred consideration for the office lease is included under current receivables in the balance sheet.

USD 1 000	Q1 2024	Q1 2023	2023
Management fees	0	1 270	2 569
Operating income from discontinued operations	0	1 270	2 569
Share of result from j/v and assoc. comp.	0	30	59
Operating expenses management companies	0	-996	-2 050
Operating expenses from discontinued operations	0	-966	-1 991
EBITDA from discontinued operations	0	304	578
Depreciation and amortisation	0	-10	-20
Operating result (EBIT) from discontinued operations	0	294	558
Interest income	0	1	2
Interest expenses	0	0	0
Other financial items	0	-3	-6
Currency gains/(-losses)	0	102	26
Net financial items from discontinued operations	0	100	22
Result before taxes from discontinued operations	0	394	580
Taxes	0	-46	-96
Profit after income tax of discontinued operations	0	348	484
Gain on sale of the subsidiary after income tax	0	0	8 322
Profit from discontinued operations	0	348	8 806
Hereof majority interests from discontinued operations	0	372	8 852
Hereof non-controlling interests from discontinued operations	0	-24	-46
Net cash flow operating activities from discontinued operations	0	247	463
Net cash flow investing activities from discontinued operations	0	0	0
Net cash flow financing activities from discontinued operations	0	100	-879

**Note 6 Subsequent events**

Belships has entered into an agreement to divest its stake of 50 per cent in Lighthouse Navigation Pte Ltd, which is a dry bulk operating company based in Asia. In exchange for these shares, Belships has acquired 33 per cent of the shares in Lighthouse Navigation Management AS, increasing Belships' ownership to 67 per cent in the company which focuses on dry bulk operating in the Atlantic. In addition, Belships will receive a cash consideration of USD 14m which will be paid to Belships over the next 15 months. This transaction is aimed at focusing and simplifying Belships' investments within dry bulk operating. Please see further information under 'Lighthouse Navigation' above.

Belships has expanded its newbuilding program with two new 64 000 dwt Ultramax bulk carriers which will be delivered in 2028. The vessels are leased on similar terms as previously announced transactions, and Belships is not required to make any down payments for these vessels. The agreements are conditional upon certain steps to be completed by the parties involved.

Belships has agreed to amend a USD 90m Term Loan Facility for six vessels, which is the only senior secured bank loan in the company today. Four vessels will remain debt free. The Loan Facility has an interest rate of SOFR+195 bps which is 55 bps lower than the previous facility. The loan matures in April 2029 and the first instalment is due in 2025. Furthermore, a new undrawn Accordion Tranche of USD 100m will be available. The lenders in the Loan Facility are DNB Bank, Nordea and Sparebank 1 SR-Bank.

20 LARGEST SHAREHOLDERS

Updated 30 April 2024

Shareholder	Number of shares	%
KONTRARI AS	104 000 000	41.08 %
KONTRAZI AS	32 500 000	12.84 %
JAKOB HATTELAND HOLDING AS	11 000 000	4.35 %
DNB BANK ASA	10 050 670	3.97 %
LGT BANK AG	9 200 214	3.63 %
WENAASGRUPPEN AS	8 149 330	3.22 %
JAHATT AS	5 000 000	1.98 %
STATE STREET BANK AND TRUST COMP	2 771 320	1.09 %
SAXO BANK A/S	2 389 494	0.94 %
THE BANK OF NEW YORK MELLON SA/NV	2 348 834	0.93 %
UBS SWITZERLAND AG	2 187 340	0.86 %
SIX SIS AG	1 946 911	0.77 %
CLEARSTREAM BANKING S.A.	1 563 283	0.62 %
THE BANK OF NEW YORK MELLON SA/NV	1 525 471	0.60 %
STAVANGER FORVALTNING AS	1 520 000	0.60 %
J.P. MORGAN SE	1 407 090	0.56 %
THE BANK OF NEW YORK MELLON SA/NV	1 235 171	0.49 %
GOLDMAN SACHS INTERNATIONAL	1 091 846	0.43 %
THE BANK OF NEW YORK MELLON	1 033 945	0.41 %
SONATA AS	1 000 000	0.40 %
OTHER SHAREHOLDERS	51 215 747	20.23 %
TOTAL OUTSTANDING SHARES	253 136 666	100.00%

**FLEET LIST***Updated 2 May 2024*

Vessel name	Ownership	Built year	Dwt	Yard
NEWBUILD 10	Time Charter	2028	64 000	Japan
NEWBUILD 9	Time Charter	2028	64 000	Japan
BELVICTORY	Time Charter	2027	64 000	Japan
BELTEMPO	Time Charter	2027	64 000	Japan
BELROSSO	Time Charter	2026	64 000	Japan
BELAVANTI	Time Charter	2026	64 000	Japan
BELFUTURE	Time Charter	2026	64 000	Japan
BELFORTUNE	Time Charter	2025	64 000	Japan
BELFOX	Time Charter	2025	64 000	Japan
BELGRACE	Time Charter	2024	64 000	Japan
BELMONDO	Bareboat Charter	2023	64 000	Imabari
BELYAMATO	Bareboat Charter	2022	64 000	Imabari
BELTOKYO	Bareboat Charter	2021	64 000	Imabari
BELFORCE	Bareboat Charter	2021	61 000	Dacks
BELKNIGHT	Bareboat Charter	2021	61 000	Dacks
BELTRADER	Bareboat Charter	2021	61 000	Dacks
BELGUARDIAN	Bareboat Charter	2021	61 000	Dacks
BELMAR	Bareboat Charter	2021	64 000	Imabari
BELFAST	Bareboat Charter	2021	64 000	Imabari
BELAJA	Bareboat Charter	2020	61 000	Shin Kurushima
BELMOIRA	Bareboat Charter	2020	61 000	Shin Kurushima
BELFUJI	Time Charter	2020	63 000	Imabari
BELNIKE	Time Charter	2020	63 000	Imabari
BELTANGO	Time Charter	2020	64 000	Mitsui
BELFORTE	Time Charter	2019	64 000	Mitsui
BELRAY	Bareboat Charter	2019	61 000	Shin Kurushima
BELNIPPON	Owned	2018	63 000	Imabari
BELAFONTE	Owned	2017	63 000	Imabari
BELHAVEN	Owned	2017	63 000	Imabari
BELTIGER	Owned	2017	63 000	New Times
BELISLAND	Bareboat Charter	2016	61 000	Imabari
BELINDA	Owned	2016	63 000	Hantong
BELMONT	Owned	2016	63 000	Hantong
BELATLANTIC	Owned	2016	63 000	Hantong
BELLIGHT	Bareboat Charter	2016	63 000	New Times
BELFRIEND	Owned	2016	58 000	Tsuneishi
BELTIDE	Owned	2016	58 000	Tsuneishi
BELFOREST	Bareboat Charter	2015	61 000	Imabari
BELHAWK	Bareboat Charter	2015	61 000	Imabari
BELSOUTH	Owned	2015	63 000	Hantong