

## **Dania Ship Management Bulk A/S**

**Nyropsgade 37  
1602 Copenhagen  
CVR No. 17261142**

### **Annual report 2022**

The Annual General Meeting adopted the  
annual report on 26.06.2023

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**Marc Björn Sprotte**

Chairman of the General Meeting

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# Entity details

## Entity

Dania Ship Management Bulk A/S  
Nyropsgade 37  
1602 Copenhagen

Business Registration No.: 17261142  
Registered office: Copenhagen  
Financial year: 01.01.2022 - 31.12.2022

## Board of Directors

Marc Björn Sprotte  
Edward Mcdermott  
Ulla Eithz Nielsen  
Bo Knold Kristensen  
Amrit Peter Kalsi

## Executive Board

Ulla Eithz Nielsen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Dania Ship Management Bulk A/S for the financial year 01.01.2022 - 31.12.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 26.06.2023

## Executive Board

**Ulla Eithz Nielsen**

## Board of Directors

**Marc Björn Sprotte**

**Edward Mcdermott**

**Ulla Eithz Nielsen**

**Bo Knold Kristensen**

**Amrit Peter Kalsi**

# Independent auditor's report

## To the shareholder of Dania Ship Management Bulk A/S

### Opinion

We have audited the financial statements of Dania Ship Management Bulk A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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, 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 Entity'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 in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance 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.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 26.06.2023

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

### **Henrik Wolff Mikkelsen**

State Authorised Public Accountant

Identification No (MNE) mne 33747

# Management commentary

## Primary activities

The Company's primary activities involve acting as technical manager of vessels.

## Development in activities and finances

The result for the year is shown after making provision for losses resulting from a fraud perpetrated by an employee in another part of the Group. Whilst management believe that this constitutes an insurable event, no accrual has been made in the accounts for the potential insurance recoverable.

The result of the year shows a loss of DKK 1,074,351 in 2022. As at 31 December 2022, equity equals DKK 2,158,420.

Further growth in vessel numbers is anticipated in 2023

## Events after the balance sheet date

As a result of drydocking work performed for a vessel between December 2022 and February 2023, agreement has been reached with a Client to compensate them for loss of hire resulting from the protracted drydock process. The amounts to be paid to the Client aggregate USD 1,800,000 (DKK 12,926,880), to be paid on a phased basis. Management are checking on the amount recoverable from insurance, subject to policy excess of USD 175,000 (DKK 1,256,780).

## Frauds identified by management during the year

During the year, the Company identified an instance of misappropriation of assets by one employee, whereby the individual overrode the Company's control environment. In response to the fraud, management have conducted a thorough investigation to understand the specific fact pattern which led to the fraud and, to quantify the amount stolen.

Once the investigation is finalised management will complete a detailed root cause assessment and implement controls where necessary to further strengthen the Company's control environment. As at the date of these financial statements no criminal charges have been brought against the individual.

As at 31 December 2022 the Company has recognised a liability of DKK 4,524,731 (USD 630,045).



# Income statement for 2022

	Notes	2022 DKK	2021 DKK
<b>Gross profit/loss</b>		<b>12,029,729</b>	<b>8,560,981</b>
Staff costs	2	(7,668,955)	(6,115,918)
Other operating expenses	3	(4,524,731)	—
Depreciation, amortisation and impairment losses		(19,079)	(10,188)
<b>Operating profit/loss</b>		<b>(183,036)</b>	<b>2,434,875</b>
Other financial income	4	205,338	250,999
Other financial expenses	5	(28,714)	(106,628)
<b>Profit/loss before tax</b>		<b>(6,412)</b>	<b>2,579,246</b>
Tax on profit/loss for the year	6	(1,067,939)	(275,953)
<b>Profit/loss for the year</b>		<b>(1,074,351)</b>	<b>2,303,293</b>
<b>Proposed distribution of profit and loss:</b>			
Retained earnings		(1,074,351)	2,303,293
<b>Proposes distribution of profit and loss</b>		<b>(1,074,351)</b>	<b>2,303,293</b>

# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK	2021 DKK
Other fixtures and fittings, tools and equipment		34,767	53,845
<b>Property, plant and equipment</b>		<b>34,767</b>	<b>53,845</b>
Receivables from group enterprises		5,267,279	3,862,129
<b>Financial assets</b>		<b>5,267,279</b>	<b>3,862,129</b>
<b>Fixed assets</b>		<b>5,302,046</b>	<b>3,915,974</b>
Trade receivables		9,846	4,697
Other receivables		1,157,613	20,000
Income tax receivable		61,221	213,476
<b>Receivables</b>		<b>1,228,680</b>	<b>238,173</b>
<b>Cash</b>	7	<b>4,947,286</b>	<b>2,806,975</b>
<b>Current assets</b>		<b>6,175,966</b>	<b>3,045,148</b>
<b>Assets</b>		<b>11,478,012</b>	<b>6,961,122</b>

**Equity and liabilities**

	Notes	2022 DKK	2021 DKK
Contributed capital		500,000	500,000
Retained earnings		1,658,420	2,732,771
<b>Equity</b>		<b>2,158,420</b>	<b>3,232,771</b>
Other Provisions		4,524,731	—
<b>Non Current Provisions</b>		<b>4,524,731</b>	<b>—</b>
Other payables		481,200	466,060
<b>Non Current liabilities other than provisions</b>		<b>481,200</b>	<b>466,060</b>
Trade payables		124,833	—
Payables to group enterprises		5,584	8,271
Other payables		4,183,244	3,254,020
<b>Current liabilities other than provisions</b>		<b>4,313,661</b>	<b>3,262,291</b>
<b>Liabilities other than provisions</b>		<b>4,794,861</b>	<b>3,728,351</b>
<b>Equity and liabilities</b>		<b>11,478,012</b>	<b>6,961,122</b>
Going concern	1		
Contingent liabilities	10		
Group relations	12		

# Statement of changes in equity for 2022

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	500,000	2,732,771	3,232,771
Profit/loss for the year	—	(1,074,351)	(1,074,351)
<b>Equity end of year</b>	<b>500,000</b>	<b>1,658,420</b>	<b>2,158,420</b>

# Notes

## 1 Going concern

The Company expects to improve the operating result for 2023 due to implemented cost savings and expansion of business. The equity is expected to be re-established in the forthcoming years through operating profits.

Al Mistral Topco Limited has provided the Company with an undertaking that it will provide financial support to assist the Company in meeting its liabilities as and when they fall due, to the extent that money is not otherwise available to meet such liabilities, for a period of at least 12 months from the date of approval of these financial statements.

## 2 Staff costs

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	7,094,629	5,763,389
Pension costs	383,599	321,862
Other staff costs	190,727	30,667
	<b>7,668,955</b>	<b>6,115,918</b>

## 3 Other operating expenses

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Insurance loss	4,524,731	—
	<b>4,524,731</b>	<b>—</b>

As noted in the management commentary above an instance of fraud had been identified during the financial year. No accrual for potential insurance recovery has been made as at 31 December 2022.

## 4 Other financial income

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Exchange rate adjustments	205,338	250,999
	<b>205,338</b>	<b>250,999</b>

## 5 Other financial expenses

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	5,952	11,219
Exchange rate adjustments	9,592	—
Other financial expenses	13,170	95,409
	<b>28,714</b>	<b>106,628</b>

## 6 Tax on profit/loss for the year

The Company's income tax base is located in Denmark, and subject to the Danish tonnage tax scheme. However, a few vessels which are commercially managed outside of EU are not compliant to be subject to tonnage taxation, which therefore are taxed according to normal corporate tax rules. The Company has entered the tonnage tax scheme on 1 May 2017, with a binding period of 10 years.

Under the tonnage tax scheme income and expenses from shipping activities are not subject to direct taxation, instead the taxable income is calculated on the basis of:

- The net tonnage of the vessels used to generate the income from technical management.
- A rate applicable to the specific net tonnage of the vessels based on a sliding scale.

The Company has no deferred tax assets or liabilities at 31 December 2022

## 7 Cash

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Cash held on behalf of shipowners	3,577,918	2,593,690
Cash at bank	1,369,368	213,285
	<b>4,947,286</b>	<b>2,806,975</b>

## 8 Non-current liabilities other than provisions

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
<b>Other payables</b>	481,200	466,060
	<b>481,200</b>	<b>466,060</b>

## 9 Other payables

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Liability for cash held for shipowners	3,577,918	2,593,690
Other payables	605,326	660,330
	<b>4,183,244</b>	<b>3,254,020</b>

## 10 Contingent liabilities

The Company is jointly taxed with all Danish group companies. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Post the year end, the Company has received a claim for costs of USD 1,800,000 (DKK 12,926,880) relating to the extended off-hire and bunkers that a vessel suffered as a result of the delay in completing vessel drydocking work. These costs will be paid during 2023, however management are assessing the amount of these costs that are insurable, subject to policy deductible, but there is currently no certainty to this recoverability.

## 11 Contingent assets

In respect of the fraud losses incurred and as provided for in 'other operating expenses' (DKK 4,524,731 / USD 630,045), the Company believe this to be an insurable event and will pursue recovery under the PII policy. Insurance recovery would potentially amount to DKK 3,617,752 (USD 503,753), limiting the ultimate loss exposure to the Company to the amount of the pro rata policy excess of DKK 906,979 (USD 126,292).

## 12 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Vouvray Acquisition Limited, 1st Floor, 63 Queen Victoria Street, London, EC4N 4UA, United Kingdom.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, other operating income and less external expenses.

### Revenue

Revenue from technical management and consultancy services are recognised as services are performed.

### Other operating income

Other operating income comprise cross-charge to other group entities for the staff costs for staff employed by the Company working for other group entities.

### Other external expenses

Other external expenses comprise expenses for management and administration of the Company.

### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc.

### Other operating expenses

Other operating expenses comprises of the net loss on the insurance claim.

### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment for the financial year, as well as gains and losses from the sale of property, plant and equipment.

### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises and currency gains.

### Impairment losses on financial assets

Impairment losses on financial assets comprise impairment losses on financial assets which are not measured at fair value on a current basis.

**Other financial expenses**

Other financial expenses comprise interest expenses and currency losses.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group companies. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

**Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Other provisions**

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.