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REDERIET O.W. BALTIC A/S
TAGHOLM 15, 9400 NØRRESUNDBY
ANNUAL REPORT
1 OCTOBER 2022 - 30 SEPTEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 11 January 2024**

Jørgen Olesen

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COMPANY DETAILS

Company	REDERIET O.W. BALTIC A/S Tagholm 15 9400 Nørresundby CVR No.: 28 65 83 54 Established: 3 July 2006 Municipality: Aalborg Financial Year: 1 October 2022 - 30 September 2023
Board of Directors	Henrik Holst Pedersen, chairman Jørgen Olesen Morten Dodensig
Executive Board	Jørgen Olesen
Auditor	BDO Statsautoriseret revisionsaktieselskab Fælledvej 1 5000 Odense C
Bank	Spar Nord Bank A/S Skelagervej 15 9100 Aalborg Nykredit Bank A/S Buen 9 6000 Kolding

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of REDERIET O.W. BALTIC A/S for the financial year 1 October 2022 - 30 September 2023.

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 Company's assets, liabilities and financial position at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Nørresundby, 11 January 2024

Executive Board

Jørgen Olesen

Board of Directors

Henrik Holst Pedersen
Chairman

Jørgen Olesen

Morten Dodensig

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of REDERIET O.W. BALTIC A/S

Opinion

We have audited the Financial Statements of REDERIET O.W. BALTIC A/S for the financial year 1 October 2022 - 30 September 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes and 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 assets, liabilities and financial position of the Company at 30 September 2023 and of the results of the Company's operations for the financial year 1 October 2022 - 30 September 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company 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 judgment and maintain professional skepticism 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 Company's internal control.

INDEPENDENT AUDITOR'S REPORT

- 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 Company'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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, 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 Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover 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 Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that 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 Management Commentary.

Odense, 11 January 2024

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Mikkel Aalykke
State Authorised Public Accountant
MNE no. mne41307

MANAGEMENT COMMENTARY

Principal activities

The company's main activity is to own a ship and conduct shipping activities.

Development in activities and financial and economic position

The result for the period shows a profit of USD ('000) 294. Management considers the result for the period satisfactory.

During the year the claim against the company arising as a consequence of the former affiliation with the OW Bunker Group was successfully dismissed at court, and the embargo on the vessel has been lifted.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 OCTOBER - 30 SEPTEMBER

	Note	2022/23 USD	2021/22 USD '000
GROSS PROFIT		508,455	495
Depreciation, amortisation and impairment losses.....		-162,996	-185
OPERATING PROFIT		345,459	310
Other financial income.....	1	45,757	4
Other financial expenses.....		-14,270	-23
PROFIT BEFORE TAX		376,946	291
Tax on profit/loss for the year.....	2	-82,928	-67
PROFIT FOR THE YEAR		294,018	224
PROPOSED DISTRIBUTION OF PROFIT			
Proposed dividend for the year.....		800,000	0
Retained earnings.....		-505,982	224
TOTAL		294,018	224

BALANCE SHEET AT 30 SEPTEMBER

ASSETS	Note	2023 USD	2022 USD '000
Ships.....		1,029,673	1,192
Tangible fixed assets.....	3	1,029,673	1,192
FIXED ASSETS.....		1,029,673	1,192
Receivables from group enterprises.....		658,519	447
Deferred tax assets.....		111,703	122
Other receivables.....		4	0
Prepayments.....		47,398	76
Receivables.....		817,624	645
Cash and cash equivalents.....		332,837	280
CURRENT ASSETS.....		1,150,461	925
ASSETS.....		2,180,134	2,117

BALANCE SHEET AT 30 SEPTEMBER

EQUITY AND LIABILITIES	Note	2023 USD	2022 USD '000
Share capital.....		85,728	86
Retained earnings.....		1,096,844	1,602
Proposed dividend.....		800,000	0
EQUITY.....		1,982,572	1,688
Bank loan.....		0	96
Corporation tax.....		72,667	55
Long-term liabilities.....	4	72,667	151
Bank loan.....		0	182
Trade payables.....		64,667	70
Corporation tax payable.....		55,428	18
Other liabilities.....		4,800	8
Current liabilities.....		124,895	278
LIABILITIES.....		197,562	429
EQUITY AND LIABILITIES.....		2,180,134	2,117
Contingencies etc.	5		
Related parties	6		
Staff costs	7		

EQUITY

	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 October 2022	85,728	1,602,826	0	1,688,554
Proposed distribution of profit		-505,982	800,000	294,018
Equity at 30 September 2023	85,728	1,096,844	800,000	1,982,572

NOTES

	2022/23 USD	2021/22 USD '000	Note	
Other financial income			1	
Group enterprises.....	32,256	4		
Other interest income.....	13,501	0		
	45,757	4		
Tax on profit/loss for the year			2	
Calculated tax on taxable income of the year.....	72,667	55		
Adjustment of deferred tax.....	10,261	12		
	82,928	67		
Tangible fixed assets			3	
		Ships		
Cost at 1 October 2022.....		14,599,400		
Cost at 30 September 2023.....		14,599,400		
Depreciation and impairment losses at 1 October 2022.....		13,406,731		
Depreciation for the year.....		162,996		
Depreciation and impairment losses at 30 September 2023.....		13,569,727		
Carrying amount at 30 September 2023.....		1,029,673		
Long-term liabilities			4	
	30/9 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	30/9 2022 total liabilities
Bank loan.....	0	0	0	277,738
Corporation tax.....	72,667	0	0	55,428
	72,667	0	0	333,166
Contingencies etc.				5
Joint liabilities				
The company is jointly and severally liable together with the parent company and the other group companies in the jointly taxed group for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.				
Tax payable on the Group's joint taxable income is stated in the annual report of Alba Shipping & Trading A/S, which serves as management Company for the joint taxation.				

NOTES

			Note
Related parties			6
<i>Consolidated financial statements</i>			
The company is included in the consolidated financial statements of Alba Shipping & Trading A/S, Tagholm 15, 9400 Nørresundby, which is the company's ultimate parent.			
	2022/23	2021/22	
Staff costs			7
Number of full time employees	1	1	
The company's employees include management who do not receive salary.			

ACCOUNTING POLICIES

The Annual Report of REDERIET O.W. BALTIC A/S for 2022/23 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The figures of the annual report are presented in US dollars (USD), which is also the company's functional currency as this currency is considered the most relevant since the main part of the company's activities is settled in that currency. The exchange rate for US dollars relative to Danish kroner is 7.0390 at 30 September 2023 and 7.6287 at 1 October 2022.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue comprise chartering income generated by the company's Vessel and is recognized in the income statement as delivery of the service according to the chartering contract takes place. Net revenue is recognized exclusive of VAT, duties and less commissions related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables to operate the Vessel, bunker fuel, port fees etc.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Tangible fixed assets

Ships are measured at cost less accumulated depreciation and impairment losses.

The depreciation basis is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Ships.....	17 years	27 %

ACCOUNTING POLICIES

Capitalised ship inspection costs are depreciated separately over 2.5 years.

Profits or losses on sale of tangible fixed assets are calculated as the difference between sales price less selling costs and the carrying amount at the time of sale. Profits or losses are recognised in the income statement under other operating income or other operating expenses.

Impairment of fixed assets

The carrying amount of tangible fixed assets is assessed on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Prepayments and accrued income, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Other liabilities are measured at amortised cost equal to nominal value.

ACCOUNTING POLICIES

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.