

# **MB Shipbrokers Advisory Services A/S**

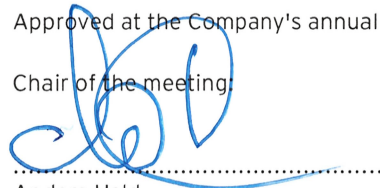
Midtermolen 1, 2100 Copenhagen Ø

CVR no. 36 49 97 53

## Annual report 2023

Approved at the Company's annual general meeting on 24 April 2024

Chair of the meeting:



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Anders Hald

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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of MB Shipbrokers Advisory Services A/S for the financial year 1 January - 31 December 2023.

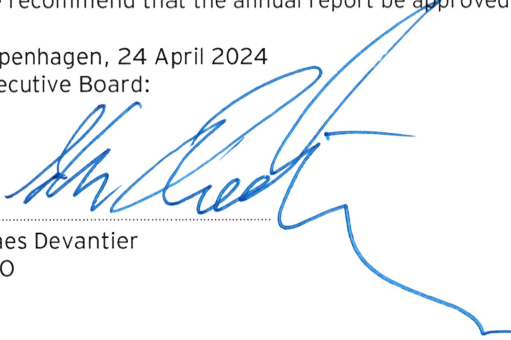
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

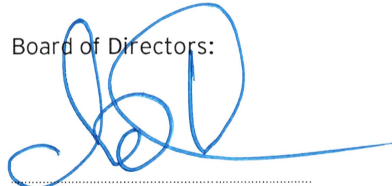
We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 24 April 2024  
Executive Board:



Claes Devantier  
CEO

Board of Directors:



Anders Hald  
Chair



Anne Brown Pade



Henrik Franck

## Independent auditor's report

To the shareholder of MB Shipbrokers Advisory Services A/S

### Opinion

We have audited the financial statements of MB Shipbrokers Advisory Services A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Company 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.

### 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 as to 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 the 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 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 note 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the Management's review 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 24 April 2024  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Mikkel Sthyr  
State Authorised Public Accountant  
mne26693



Ole Becker  
State Authorised Public Accountant  
mne33732

## Management's review

### Company details

Name	MB Shipbrokers Advisory Services A/S
Address, Postal code, City	Midtermolen 1, 2100 Copenhagen Ø
CVR no.	36 49 97 53
Established	26 January 2015
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Anders Hald, Chair Anne Brown Pade Henrik Franck
Executive Board	Claes Devantier, CEO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

## Management's review

### Business review

The purpose of the company is to conduct advisory and investment activities at home and abroad concerning maritime assets (non-financial instruments), derivative commercial activities and operation of maritime Assets.

### Financial review

The income statement for 2023 shows a loss of DKK 18,187,801 against a loss of DKK 4,549,526 last year, and the balance sheet at 31 December 2023 shows a negative equity of DKK 32,431,985. The result is not satisfied.

The Company has a negative equity of DKK 32 million. Management expects to re-establish capital through own initiative and possibly by capital injection. The parent company, MB Shipbrokers K/S, has provided support letter to MB Shipbrokers Advisory Services A/S valid until completion of the intangible fixed assets under development and re-establishment of the equity.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK	2023	2022
	<b>Gross profit</b>	11,817,442	7,180,856
3	Staff costs	-23,289,456	-9,170,041
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-5,220,749	-3,398,520
	<b>Profit/loss before net financials</b>	-16,692,763	-5,387,705
4	Financial income	711,455	25,904
5	Financial expenses	-1,161,074	-1,528,075
	<b>Profit/loss before tax</b>	-17,142,382	-6,889,876
6	Tax for the year	-1,045,419	2,340,350
	<b>Profit/loss for the year</b>	<u>-18,187,801</u>	<u>-4,549,526</u>
	<b>Recommended appropriation of profit/loss</b>		
	Other reserves	747,510	1,364,408
	Retained earnings/accumulated loss	<u>-18,935,311</u>	<u>-5,913,934</u>
		<u>-18,187,801</u>	<u>-4,549,526</u>



## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	<u>2023</u>	<u>2022</u>
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
7	<b>Intangible assets</b>		
	Completed development projects	2,474,103	81,981
	Acquired intangible assets	13,786,133	18,779,365
	Development projects in progress and prepayments for intangible assets	<u>493,350</u>	<u>1,927,126</u>
		<u>16,753,586</u>	<u>20,788,472</u>
	<b>Total fixed assets</b>	<u>16,753,586</u>	<u>20,788,472</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Trade receivables	1,554,936	2,382,035
	Receivables from group enterprises	0	112,599
	Deferred tax assets	0	419,181
	Corporation tax receivable	998,827	3,765,999
	Other receivables	542,029	193,586
	Prepayments	<u>95,961</u>	<u>51,841</u>
		<u>3,191,753</u>	<u>6,925,241</u>
	<b>Cash</b>	<u>393,619</u>	<u>2,094,081</u>
	<b>Total non-fixed assets</b>	<u>3,585,372</u>	<u>9,019,322</u>
	<b>TOTAL ASSETS</b>	<u><u>20,338,958</u></u>	<u><u>29,807,794</u></u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	<u>2023</u>	<u>2022</u>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	500,000	500,000
	Reserve for development costs	2,314,613	1,567,103
	Retained earnings	<u>-35,246,598</u>	<u>-16,311,287</u>
	<b>Total equity</b>	<u>-32,431,985</u>	<u>-14,244,184</u>
	<b>Liabilities other than provisions</b>		
	<b>Non-current liabilities other than provisions</b>		
	Payables to group entities	<u>38,367,374</u>	<u>36,555,372</u>
		<u>38,367,374</u>	<u>36,555,372</u>
	<b>Current liabilities other than provisions</b>		
	Trade payables	192,183	532,313
	Payables to group enterprises	11,619,944	4,626,262
	Other payables	2,313,682	1,988,810
	Prepayments received from customers	<u>277,760</u>	<u>349,221</u>
		<u>14,403,569</u>	<u>7,496,606</u>
	<b>Total liabilities other than provisions</b>	<u>52,770,943</u>	<u>44,051,978</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>20,338,958</u></u>	<u><u>29,807,794</u></u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 8 Contractual obligations and contingencies, etc.
- 9 Security and collateral
- 10 Related parties

## Financial statements 1 January - 31 December

### Statement of changes in equity

DKK	<u>Share capital</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	500,000	202,695	-10,397,353	-9,694,658
Transfer through appropriation of loss	<u>0</u>	<u>1,364,408</u>	<u>-5,913,934</u>	<u>-4,549,526</u>
Equity at 1 January 2023	500,000	1,567,103	-16,311,287	-14,244,184
Transfer through appropriation of loss	<u>0</u>	<u>747,510</u>	<u>-18,935,311</u>	<u>-18,187,801</u>
Equity at 31 December 2023	<u><u>500,000</u></u>	<u><u>2,314,613</u></u>	<u><u>-35,246,598</u></u>	<u><u>-32,431,985</u></u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of MB Shipbrokers Advisory Services A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Basis of recognition and measurement

Income is recognised in the income statement as it is earned. In addition, inclusion is included Value adjustments of financial assets and liabilities measured at fair value or amortised Cost. In addition, the profit and loss account includes all costs incurred to obtain the year earnings, including depreciation, write-downs and provisions, and reversals such as a result of changes in accounting estimates of amounts previously recognised in Income statement.

Assets are recognised in the balance sheet when future economic benefits are likely to flow the company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when future economic benefits are likely to the out going company, and the value of the liability can be reliably measured.

At first recognition, assets and liabilities are measured at cost. Subsequently, assets and commitments as described for each accounting item below.

Recognition and measurement shall take into account foreseeable losses and risks arising before The annual report shall be presented and confirm or refute matters existing at the balance sheet date.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income statement

###### Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition for the consolidated financial statements and parent company financial statements.

On the conclusion of sales contracts that consist of several separate sales transactions, the contract price is split up into the individual sales transactions based on the relative fair value approach. The separate sales transactions are recognised as revenue when the criteria for sale of goods, services or construction contracts are met.

A contract is split up into individual transactions when the fair value of each individual sales transaction can be estimated reliably and when each individual sales transaction represents a stand-alone value for the buyer. Sales transactions are deemed to have a stand-alone value for the buyer when the transaction is individually identifiable and usually sold separately.

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

###### Gross profit

The items revenue and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

###### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

###### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

###### Amortisation/depreciation

The item comprises amortisation of intangible assets.

The basis of depreciation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	1-5 years
Acquired intangible assets	3-5 years

###### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

###### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

### Balance sheet

#### Intangible assets

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. However, the depreciation period amounts to 1-3 years.

Acquired intangible assets consists of patents and licences which are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence, but not exceeding 5 years.

#### Impairment of fixed assets

The carrying amount of intangible assets is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

#### Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash

Cash and cash equivalents include cash and cash equivalents.

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Other payables

Other payables are measured at net realisable value.

##### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 2 Going concern uncertainties

The Company has a negative equity of DKK 32 million. Management expects to re-establish capital through own initiative and possibly by capital injection. The parent company, MB Shipbrokers K/S, has provided support letter to MB Shipbrokers Advisory Services A/S valid until completion of the intangible fixed assets under development and reestablishment of equity.

	<u>2023</u>	<u>2022</u>
<b>DKK</b>		
<b>3 Staff costs</b>		
Wages/salaries	21,522,056	8,609,110
Pensions	1,584,082	516,690
Other social security costs	183,318	44,241
	<u>23,289,456</u>	<u>9,170,041</u>
	<u>2023</u>	<u>2022</u>
Average number of full-time employees	<u>27</u>	<u>9</u>
<b>DKK</b>		
<b>4 Financial income</b>		
Unrealised exchange gain	711,455	25,904
	<u>711,455</u>	<u>25,904</u>
<b>5 Financial expenses</b>		
Interest expenses, group entities	974,353	760,924
Other interest expenses	237	20,135
Exchange losses	186,484	747,016
	<u>1,161,074</u>	<u>1,528,075</u>
<b>6 Tax for the year</b>		
Estimated tax charge for the year	626,238	-1,686,506
Deferred tax adjustments in the year	419,181	-653,844
	<u>1,045,419</u>	<u>-2,340,350</u>



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 7 Intangible assets

DKK	Completed development projects	Acquired intangible assets	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2023	908,846	22,000,000	1,927,126	24,835,972
Additions	0	0	1,185,863	1,185,863
Transferred	2,619,639	0	-2,619,639	0
Cost at 31 December 2023	3,528,485	22,000,000	493,350	26,021,835
Impairment losses and amortisation at 1 January 2023	826,865	3,220,635	0	4,047,500
Amortisation for the year	227,517	4,993,232	0	5,220,749
Impairment losses and amortisation at 31 December 2023	1,054,382	8,213,867	0	9,268,249
Carrying amount at 31 December 2023	2,474,103	13,786,133	493,350	16,753,586

Development projects includes development of IT platforms and software. In Management's opinion, the development progressed as planned. The completed development projects consist of several IT platforms and software which is mainly used internally.

Management has assessed that there are no indications of impairment in relation to the IT platforms.

Management has not identified any indication of impairment in relation to the carrying amount of the system.

#### 8 Contractual obligations and contingencies, etc.

The Company is jointly taxed with its parent, MBEB Holding ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes onwards as well as withholding taxes on interest, royalties and dividends falling due for payment.

#### 9 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2023.

#### 10 Related parties

MB Shipbrokers Advisory Services A/S' related parties comprise the following:

##### Significant influence

Related party	Domicile	Basis for significant influence
MB Shipbrokers Holding A/S	Midtermolen 1, 2100 Copenhagen Ø	Ownership