



Thorco Projects ApS

Svanemøllevej 17
2100 København Ø
CVR No. 37745324

Annual report 2023

The Annual General Meeting adopted the annual report on 24.05.2024

Jesper Malik Møller Ringsholm
Chairman of the General Meeting

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Entity details

Entity

Thorco Projects ApS
Svanemøllevej 17
2100 København Ø

Business Registration No.: 37745324
Registered office: København
Financial year: 01.01.2023 - 31.12.2023

Executive Board

Thor Stadil

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
P. O. Box 10
5100 Odense

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Thorco Projects ApS for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

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

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

Copenhagen, 24.05.2024

Executive Board

Thor Stadil

Independent auditor's report

To the shareholder of Thorco Projects ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Thorco Projects ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 24.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Gert Rasmussen

State Authorised Public Accountant
Identification No (MNE) mne35430

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	USD'000	USD'000	USD'000	USD'000	USD'000
Key figures					
Revenue	91,929	439,654	418,082	150,152	144,987
Gross profit/loss	79,866	56,562	68,473	11,709	13,703
Operating profit/loss	73,102	44,983	56,124	1,126	1,739
Net financials	346	779	(2,137)	828	544
Profit/loss for the year	55,158	38,615	40,821	1,089	2,203
Balance sheet total	33,546	98,634	90,751	35,305	27,963
Equity	6,208	53,072	43,374	11,553	10,344
Equity excl. minority interests				11,501	10,298
Cash flows from operating activities	105,956	27,579	37,962	6,205	(3,309)
Cash flows from financing activities	(102,000)	(30,000)	(39,000)	0	1,457
Ratios					
Gross margin (%)	86.88	12.87	16.38	7.80	9.45
Net margin (%)	60.00	8.78	9.76	0.73	1.52
Equity ratio (%)	17.93	52.56	49.27	32.72	36.99

Financial highlights are defined and calculated in accordance with recommendations from the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss}}{\text{Revenue}} * 100$

Revenue

Net margin (%):

$\frac{\text{Profit/loss for the year}}{\text{Revenue}} * 100$

Revenue

Equity ratio (%):

$\frac{\text{Equity excl. minority interests}}{\text{Balance sheet total}} * 100$

Balance sheet total

Primary activities

The primary activities of the Group are to carry out shipping, chartering and other shipping related activities. The activity is sold in 2023 and prior years figures are therefore not comparative.

The primary activities of the Group going forward are to invest in assets such as real estate and securities, besides partial or whole acquisition of operating companies outside the shipping industry. As of this date the Group has not commenced any new activities.

Development in activities and finances

The income statement for the Group for 2023 shows a profit of USD 55,157,769, total assets amounts to USD 34,615,789 and at 31 December 2023 equity belonging to parent amounts to USD 6,207,991.

Profit/loss for the year in relation to expected developments

The Group sold its activities within the shipping industry in June 2023. This led to significantly higher Other operating income than expected. Until the divestment of the activities the earnings were positive and exceeded expectations for the Group.

The result for 2023 is considered satisfactory

Uncertainty relating to recognition and measurement

The Group has no material uncertainty in relation to recognition and measurement.

Outlook

Considering the recent seized activity within the shipping industry, various related trade balances remain to be settled along with some ongoing customary commercial disputes. As of this date the Group has not commenced any new activities. Consequently, the outlook for 2024 is expected to be neutral to slightly negative.

Environmental performance

Statements on Environmental performance are included in the ultimate parent Company Thornico Holding A/S' CSR report. The report can be found on the following website:

<https://www.thornico.com/company-karma/company-karma-report>

Research and development activities

According to the Groups primary activities, potential new investments are currently being researched.

Foreign branches

The Group has no foreign branches.

Statutory report on corporate social responsibility

Statutory statements on corporate social responsibility and the underrepresented gender, cf sections 99 a and 99 b of the Danish Financial Statements Act are included in the ultimate parent Company Thornico Holding A/S ' CSR report. The report can be found on the following website:

<https://www.thornico.com/company-karma/company-karma-report>

Statutory report on the underrepresented gender

2023

Supreme management body

Total number of members	1
Underrepresented gender (%)	0.00

The entity has only one person in management and thus not required to have a gender policy.

2023

Other management levels

Total number of members	1
Underrepresented gender (%)	0.00

The entity has only one person in management and thus not required to have a gender policy.

Statutory report on data ethics policy

Statements on statutory report on data ethics policy are included in the ultimate parent Company Thornico Holding A/S' CSR report. The report can be found on the following website:

<https://www.thornico.com/company-karma/company-karma-report>

Events after the balance sheet date

In 2021 a legal case regarding reversal of payments was raised against the parent company. The case was planned to be conducted in March 2024, prior signing the annual report. However, the court decided to postpone the case until October 2024.

The Group expects to be acquitted

Consolidated income statement for 2023

	Notes	2023 USD	2022 USD
Revenue	2	91,929,148	439,654,173
Other operating income	3	60,339,574	39,738
Other external expenses	4	(72,402,429)	(383,132,008)
Gross profit/loss		79,866,293	56,561,903
Staff costs	5	(6,764,104)	(11,573,497)
Depreciation, amortisation and impairment losses		0	(4,950)
Operating profit/loss		73,102,189	44,983,456
Other financial income from group enterprises		0	520,343
Other financial income		2,331,556	1,467,084
Other financial expenses		(1,985,079)	(1,208,550)
Profit/loss before tax		73,448,666	45,762,333
Tax on profit/loss for the year	6	(18,290,897)	(7,147,320)
Profit/loss for the year	7	55,157,769	38,615,013

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 USD	2022 USD
Goodwill		0	0
Intangible assets	8	0	0
Deferred tax	10	715,000	1,473,203
Financial assets	9	715,000	1,473,203
Fixed assets		715,000	1,473,203
Raw materials and consumables		465,322	5,705,500
Inventories		465,322	5,705,500
Trade receivables		1,670,488	12,225,756
Receivables from group enterprises		21,599,002	73,667,488
Other receivables		2,290,584	1,244,614
Prepayments	11	31,086	1,498,953
Receivables		25,591,160	88,636,811
Cash		6,774,698	2,818,711
Current assets		32,831,180	97,161,022
Assets		33,546,180	98,634,225

Equity and liabilities

	Notes	2023 USD	2022 USD
Contributed capital		1,226,092	1,226,092
Retained earnings		4,981,899	1,824,130
Proposed dividend for the financial year		0	50,000,000
Equity belonging to Parent's shareholders		6,207,991	53,050,222
Equity belonging to minority interests		0	21,324
Equity		6,207,991	53,071,546
Other provisions	12	3,250,000	6,364,843
Provisions		3,250,000	6,364,843
Other payables		0	315,948
Non-current liabilities other than provisions		0	315,948
Trade payables		6,951,221	17,489,557
Payables to group enterprises		758,202	3,309,438
Joint taxation contribution payable		16,378,766	10,654,318
Other payables		0	2,816,805
Deferred income	13	0	4,611,770
Current liabilities other than provisions		24,088,189	38,881,888
Liabilities other than provisions		24,088,189	39,197,836
Equity and liabilities		33,546,180	98,634,225
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	15		
Group relations	16		
Subsidiaries	17		

Consolidated statement of changes in equity for 2023

	Contributed capital USD	Retained earnings USD	Proposed extraordinary dividend USD	Proposed dividend for the financial year USD	Equity belonging to Parent's shareholders USD	Equity belonging to minority interests USD	Total USD
Equity beginning of year	1,226,092	1,824,130	0	50,000,000	53,050,222	21,324	53,071,546
Ordinary dividend paid	0	0	0	(50,000,000)	(50,000,000)	0	(50,000,000)
Extraordinary dividend paid	0	0	(52,000,000)	0	(52,000,000)	0	(52,000,000)
Other entries on equity	0	0	0	0	0	(21,324)	(21,324)
Profit/loss for the year	0	3,157,769	52,000,000	0	55,157,769	0	55,157,769
Equity end of year	1,226,092	4,981,899	0	0	6,207,991	0	6,207,991

Consolidated cash flow statement for 2023

	Notes	2023 USD	2022 USD
Operating profit/loss		73,102,189	44,983,456
Amortisation, depreciation and impairment losses			4,950
Working capital changes	14	43,571,271	(6,878,088)
Tax payments		(11,063,950)	(11,310,021)
Cash flow from ordinary operating activities		105,609,510	26,800,297
Financial income received		2,331,556	1,987,427
Financial expenses paid		(1,985,079)	(1,208,550)
Cash flows from operating activities		105,955,987	27,579,174
Free cash flows generated from operations and investments before financing		105,955,987	27,579,174
Dividend paid		(102,000,000)	(30,000,000)
Cash flows from financing activities		(102,000,000)	(30,000,000)
Increase/decrease in cash and cash equivalents		3,955,987	(2,420,826)
Cash and cash equivalents beginning of year		2,818,711	5,239,537
Cash and cash equivalents end of year		6,774,698	2,818,711
Cash and cash equivalents at year-end are composed of:			
Cash		6,774,698	2,818,711
Cash and cash equivalents end of year		6,774,698	2,818,711

Notes to consolidated financial statements

1 Events after the balance sheet date

In 2021 a legal case regarding reversal of payments was raised against the parent company. The case was planned to be conducted in March 2024, prior signing the annual report. However, the court decided to postpone the case until October 2024.

The Group expects to be acquitted.

2 Revenue

The main activity of the Group is Shipping. The activities on each market including the competitive situation and risk profile are regarded as very homogeneous except for the differences in language, etc. In the light of this the Group is not seen as having different segment activities.

3 Other operating income

Thorco Projects ApS has sold its business in may 2023 to DS Norden. The agreement effected the income statement for 2023 with 60 mio.USD.

4 Fees to the auditor appointed by the Annual General Meeting

	2023	2022
	USD	USD
Statutory audit services	31,203	27,357
Tax services	2,056	7,673
Other services	20,928	13,546
	54,187	48,576

5 Staff costs

	2023	2022
	USD	USD
Wages and salaries	6,019,953	8,932,269
Pension costs	81,052	160,932
Other staff costs	663,099	2,480,296
	6,764,104	11,573,497

Average number of full-time employees	14	32
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	Remuneration of management 2023 USD	Remuneration of management 2022 USD
Total amount for management categories	5,145,300	3,348,773
	5,145,300	3,348,773

6 Tax on profit/loss for the year

	2023 USD	2022 USD
Current tax	16,378,766	10,655,006
Change in deferred tax	758,203	(2,050,689)
Adjustment concerning previous years	1,153,928	(1,456,997)
	18,290,897	7,147,320

7 Proposed distribution of profit/loss

	2023 USD	2022 USD
Ordinary dividend for the financial year	0	50,000,000
Extraordinary dividend distributed in the financial year	52,000,000	0
Retained earnings	3,157,769	(11,380,667)
Minority interests' share of profit/loss	0	(4,320)
	55,157,769	38,615,013

8 Intangible assets

	Goodwill USD
Cost beginning of year	2,000,000
Disposals	(2,000,000)
Cost end of year	0
Amortisation and impairment losses beginning of year	(2,000,000)
Reversal regarding disposals	2,000,000
Amortisation and impairment losses end of year	0
Carrying amount end of year	0

9 Financial assets

	Deferred tax USD
Cost beginning of year	1,473,203
Disposals	(758,203)
Cost end of year	715,000
Carrying amount end of year	715,000

10 Deferred tax

	2023	2022
	USD	USD
Changes during the year		
Beginning of year	1,473,203	(663,000)
Recognised in the income statement	(758,203)	2,136,203
End of year	715,000	1,473,203

Deferred tax assets

Deferred tax assets consist of temporary differences between the carrying amount and the tax-based value.

11 Prepayments

Prepayments consist of prepaid T/C hire and insurance premiums.

12 Other provisions

Other provisions consists of pending legal claims etc.

13 Deferred income

Deferred income consists of payments received from ongoing voyages which will be recognized as income in subsequent year.

14 Changes in working capital

	2023	2022
	USD	USD
Increase/decrease in inventories	5,240,178	6,243,981
Increase/decrease in receivables	61,976,042	(16,623,895)
Increase/decrease in trade payables etc.	(19,764,486)	2,406,241
Other changes	(3,880,463)	1,095,585
	43,571,271	(6,878,088)

15 Unrecognised rental and lease commitments

	2023	2022
	USD	USD
Total liabilities under rental or lease agreements until maturity	0	31,774,608

16 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Thornico Holding A/S, Odense, Denmark

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Thonico A/S, Odense, Denmark.

17 Subsidiaries

	Registered in	Ownership %
Thorco Projects Singapore Pte. LTD.	Singapore	100.00
Thorco Projects USA Inc.	Delaware, USA	100.00

Parent income statement for 2023

	Notes	2023 USD	2022 USD
Revenue	2	91,929,148	438,757,748
Other operating income		60,339,574	13,294
Other external expenses		(73,573,273)	(385,160,864)
Gross profit/loss		78,695,449	53,610,178
Staff costs	3	(5,138,785)	(8,818,009)
Operating profit/loss		73,556,664	44,792,169
Income from investments in group enterprises		(455,147)	56,934
Other financial income from group enterprises		0	520,343
Other financial income		2,331,556	1,395,132
Other financial expenses		(1,984,407)	(942,587)
Profit/loss before tax		73,448,666	45,821,991
Tax on profit/loss for the year	4	(18,290,897)	(7,202,655)
Profit/loss for the year	5	55,157,769	38,619,336

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 USD	2022 USD
Goodwill		0	0
Intangible assets	6	0	0
Investments in group enterprises		2	578,234
Deferred tax	8	715,000	1,473,203
Financial assets	7	715,002	2,051,437
Fixed assets		715,002	2,051,437
Raw materials and consumables		465,322	5,705,500
Inventories		465,322	5,705,500
Trade receivables		1,670,488	12,225,756
Receivables from group enterprises		21,860,509	73,527,934
Other receivables		2,238,144	1,238,882
Prepayments	9	31,086	2,373,354
Receivables		25,800,227	89,365,926
Cash		6,764,480	2,661,009
Current assets		33,030,029	97,732,435
Assets		33,745,031	99,783,872

Equity and liabilities

	Notes	2023 USD	2022 USD
Contributed capital		1,226,092	1,226,092
Reserve for net revaluation according to equity method		0	419,237
Retained earnings		4,981,899	1,404,893
Proposed dividend for the financial year		0	50,000,000
Equity		6,207,991	53,050,222
Other provisions	10	3,250,000	6,696,379
Provisions		3,250,000	6,696,379
Other payables	11	0	315,948
Non-current liabilities other than provisions		0	315,948
Trade payables		6,942,829	17,486,215
Payables to group enterprises		758,202	3,243,689
Joint taxation contribution payable		16,378,766	10,668,225
Other payables		207,243	2,781,906
Deferred income	12	0	5,541,288
Current liabilities other than provisions		24,287,040	39,721,323
Liabilities other than provisions		24,287,040	40,037,271
Equity and liabilities		33,745,031	99,783,872
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	13		
Assets charged and collateral	14		
Related parties with controlling interest	15		

Parent statement of changes in equity for 2023

	Contributed capital USD	Reserve for net revaluation according to the equity method USD	Retained earnings USD	Proposed extraordinary dividend USD	Proposed dividend for the year USD	Total USD
Equity beginning of year	1,226,092	419,237	1,404,893	0	50,000,000	53,050,222
Ordinary dividend paid	0	0	0	0	(50,000,000)	(50,000,000)
Extraordinary dividend paid	0	0	0	(52,000,000)	0	(52,000,000)
Profit/loss for the year	0	(419,237)	3,577,006	52,000,000	0	55,157,769
Equity end of year	1,226,092	0	4,981,899	0	0	6,207,991

Notes to parent financial statements

1 Events after the balance sheet date

In 2021 a legal case regarding reversal of payments was raised against the company. The case was planned to be conducted in March 2024, prior signing the annual report. However, the court decided to postpone the case until October 2024.

The Group expects to be acquitted

2 Revenue

The main activity of the company is Shipping. The activities on each market including the competitive situation and risk profile are regarded as very homogeneous except for the differences in language, etc. In the light of this the Group is not seen as having different segment activities.

3 Staff costs

	2023	2022
	USD	USD
Wages and salaries	4,394,634	6,176,781
Pension costs	81,052	160,932
Other staff costs	663,099	2,480,296
	5,138,785	8,818,009
Average number of full-time employees	10	18

	Remuneration of Manage- ment 2023 USD	Remuneration of Manage- ment 2022 USD
Total amount for management categories	5,145,300	3,348,773
	5,145,300	3,348,773

4 Tax on profit/loss for the year

	2023	2022
	USD	USD
Current tax	16,378,766	10,668,225
Change in deferred tax	758,203	(2,050,689)
Adjustment concerning previous years	1,153,928	(1,414,881)
	18,290,897	7,202,655

5 Proposed distribution of profit and loss

	2023	2022
	USD	USD
Ordinary dividend for the financial year	0	50,000,000
Extraordinary dividend distributed in the financial year	52,000,000	0
Retained earnings	3,157,769	(11,380,664)
	55,157,769	38,619,336

6 Intangible assets

	Goodwill
	USD
Cost beginning of year	2,000,000
Disposals	(2,000,000)
Cost end of year	0
Amortisation and impairment losses beginning of year	(2,000,000)
Reversal regarding disposals	2,000,000
Amortisation and impairment losses end of year	0
Carrying amount end of year	0

7 Financial assets

	Investments in group enterprises	Deferred tax
	USD	USD
Cost beginning of year	158,997	1,473,203
Additions	2	0
Disposals	(7,521)	(758,203)
Cost end of year	151,478	715,000
Revaluations beginning of year	419,237	0
Share of profit/loss for the year	(455,147)	0
Reversal of revaluations	(347,422)	0
Investments with negative equity value transferred to provisions	231,856	0
Revaluations end of year	(151,476)	0
Carrying amount end of year	2	715,000

8 Deferred tax

	2023	2022
	USD	USD
Changes during the year		
Beginning of year	1,473,203	(577,486)
Recognised in the income statement	(758,203)	2,050,689
End of year	715,000	1,473,203

Deferred tax assets

Deferred tax assets consist of temporary differences between the carrying amount and the tax-based value.

9 Prepayments

Prepayments consist of prepaid T/C hire and insurance premiums.

10 Other provisions

Other provisions consists of pending legal claims etc.

11 Other payables

	2023	2022
	USD	USD
Holiday pay obligation	0	315,948
	0	315,948

12 Deferred income

Deferred income consists of payments received from ongoing voyages which will be recognized as income in the subsequent years.

13 Unrecognised rental and lease commitments

	2023	2022
	USD	USD
Total liabilities under rental or lease agreements until maturity	0	31,774,608

14 Assets charged and collateral

Overdraft is secured by way of mortgage on sales of goods and services.

15 Related parties with controlling interest

Havnegade Capital ApS Odense, Denmark, direct ownership

Thornico A/S Odense, Denmark, indirect ownership

Thornico Holding A/S, Odense, Denmark, indirect ownership

Christian Rosenkrantz Stadil, non public adress, ulitimate owner

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

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

The Financial Statements are presented in USD with exchange rate USD 674.47 at 31 December 2023 (31 December 2022 - USD 697.22).

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.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's

proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Income statement

Revenue

Revenue from sales (chartering income) is recognized in the income statement at the rate of completion of the charter (discharge to discharge principle). This method is applied when total revenues and expenses in respect of the charter at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company.

Revenue is measured at the consideration received and is recognized exclusive of VAT and net of discounts relating to sales.

Other operating income

Other operating income comprises income from management services and is of a secondary nature as viewed in relation to the Company's primary activities.

Other external expenses

Other external expenses comprises vessel operating cost relating to the Company's ordinary activities, including expenses to achieve the revenue for the year such as TC-hire, port and bunker cost.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for company staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc. on receivables from group enterprises.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, currency gains, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, currency losses, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, 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 Parent is jointly taxed with all of its Danish group enterprises. 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

Goodwill

Goodwill acquired is measured at cost less accumulated amortisation and impairment losses. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unrealised intragroup profits or losses.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Minority interests

On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

Other provisions

Other provisions comprise anticipated costs of commitments.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Leases

All leases including chartering of vessels, are accounted for as operating leases. Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the leases.

Other financial liabilities

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.