Trithorn Bulk A/S

Nyhavn 47, DK-1051 København K

Annual Report for 2023

CVR No. 37 90 45 89

The Annual Report was presented and adopted at the Annual General Meeting of the company on 20/3 2024

Renè Breyen-Mikkelsen
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Trithorn Bulk 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 and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 20 March 2024

Executive Board

Renè Breyen-Mikkelsen
Executive Officer

Board of Directors

Marc Lyngaae Slinger Chairman	Peter Alexis Georg Jein	Renè Breyen-Mikkelsen
Bjarne Tvilde	Uffe Eckardt Hansen	

Independent Auditor's report

To the shareholder of Trithorn Bulk A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Trithorn Bulk 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 a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

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 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.

Statement on Management's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group´s and the Parent 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 Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 Group´s and the Parent Company´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 Group´s and the Parent 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 Group and the Parent 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.

- 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.

Odense M, 20 March 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Line Hedam
State Authorised Public Accountant
mne27768

Claus Damhave
State Authorised Public Accountant
mne34166

Company information

The Company	Trithorn Bulk A/S Nyhavn 47 DK-1051 København K CVR No: 37 90 45 89 Financial period: 1 January - 31 December Municipality of reg. office: Copgenhagen
Board of Directors	Marc Lyngaae Slinger, chairman Peter Alexis Georg Jein Renè Breyen-Mikkelsen Bjarne Tvilde Uffe Eckardt Hansen
Executive Board	Renè Breyen-Mikkelsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal DK-5230 Odense M

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2023	2022	2021	2020	2019
	TUSD	TUSD	TUSD	TUSD	TUSD
Key figures					
Profit/loss					
Revenue	150,675	269,649	254,079	179,794	193,255
Gross profit	5,444	20,891	26,677	9,776	8,474
Profit/loss of primary operations	2,541	15,948	21,739	6,455	4,326
Profit/loss of financial income and expenses	587	-824	342	66	-63
Net profit/loss for the year	2,542	12,685	17,415	5,098	3,322
Balance sheet					
Balance sheet total	25,261	37,359	41,003	19,504	17,734
Equity	13,290	19,523	22,229	4,720	5,526
Cash flows					
Cash flows from:					
- operating activities	-194	19,693	11,992	7,163	4,981
- investing activities	0	0	0	0	-19
- financing activities	-9,000	-15,000	-2,000	-4,923	32
Change in cash and cash equivalents for the year	-9,194	4,693	9,992	2,240	4,994
Number of employees	18	18	16	13	11
Ratios					
Gross margin	3.6%	7.7%	10.5%	5.4%	4.4%
Profit margin	1.7%	5.9%	8.6%	3.6%	2.2%
Return on assets	10.1%	42.7%	53.0%	33.1%	24.4%
Solvency ratio	52.6%	52.3%	54.2%	24.2%	31.2%
Return on equity	15.5%	60.8%	129.2%	99.5%	79.8%

Management's review

Key activities

Trithorn Bulk A/S is an international operator of modern/eco dry bulk carriers within the Handysize and Supramax segments. Trithorn Bulk A/S is operating worldwide but with a focus on the Atlantic basin. The company is operating in the spot market as well as the contract market with a preference towards short term contracts.

Development in the year

The income statement of the Group for 2023 shows a profit of TUSD 2,542, and at 31 December 2023 the balance sheet of the Group shows a positive equity of TUSD 13,290.

The company continues to maintain and develop its global presence through its subsidiaries and branches.

The past year and follow-up on development expectations from last year

2023 was another profitable year for Trithorn Bulk, which it has been since the inception in 2016. The result is within the range expected by management as per outlook in the Annual Report for 2022.

Operating risks

The Company´s operational risks primarily relate to the vessels operated and cargo carried. The Company is insured against potential environmental accidents as well as following IMO and underwrites recommendations when it comes to risk of piracy.

Our IT platform is continuously monitored, and best practices applied for security. External recurrent backups are in place together with recover plans, which can be restored with minimum data loss and minimum operational downtime.

Market risks

Dry bulk shipping is historically a cyclical and volatile market reacting fast to changes in - and expectations off – current and future macro-economic factors and global supply and demand for dry bulk commodities. The fluctuating time charter hire rates, voyage charter freight rates and bunker prices can have significant impact on the company's earnings potential and position volume. The physical bunker positions are hedged by using derivatives such as bunker swaps.

Trithorn Bulk manages its physical and paper portfolio in an integrated risk management system that combines both realized and unrealized position and value. This evaluates and facilitates daily commercial decision making and ensures that positions taken are based on calculated risk.

Foreign exchange risks

Trithorn Bulk predominantly operates with USD cash flow as freight and hire revenue are mainly in USD as well as hire and bunker cost. Foreign currency exposure is partly hedged using FX swaps especially concerning our global subsidiaries and branches.

Credit risks

Credit and Compliance risk is mitigated using a mixture of credit risk agencies, compliance screening companies and counterparties fixture history and industry references.

Liquidity risks

The company continually monitors the cash balance and future cash flow and ensures that adequate liquidity is always available not only to meet current obligations but also to allow engagement in new commercial opportunities.

Management's review

Targets and expectations for the year ahead

Trithorn Bulk expects a profitable year with the adaptable business model in volatile market conditions. Investments in operating systems and risk management measures will continue in 2024. The result for 2024 is expected to be between USD'000 3,000-7,000.

Branches abroad

The Company has a branch in Norway, subsidiaries in Switzerland, Chile and Cyprus, and business partnerships in Greece and the USA.

Statement of corporate social responsibility, cf. section 99a of the Financial Statements Act

Business model

The business model of Trithorn Bulk is outlined under key activities and risk management, page 1 and 2 of the management review, respectively.

Human rights and labour

Trithorn Bulk is committed to running the company in a responsible manner according to local and internationally approved conventions within labour and human rights. The company is likewise committed to providing a safe and healthy work environment for all our employees. The company does not employ crew onboard vessels, but only ashore, with the current business model, so the risk for the company in terms of human rights and labour is considered limited and primarily applicable to its global offices.

One significant risk relates to workplace health and safety. While onshore staff may not face the same maritime-specific hazards as seafarers, they are still exposed to occupational risks associated with office environments. Failure to provide a safe working environment, adequate training, and proper safety protocols can lead to accidents, injuries, and occupational health issues among onshore staff, undermining employee well-being and productivity while also exposing the company to legal liabilities and financial penalties.

Moreover, the risk of human rights violations extends beyond our direct workforce to include third-party counterparts. Ensuring transparency and accountability is essential for mitigating human rights risks and upholding ethical standards. Failure to address human rights violations can damage our reputation and erode stakeholder trust.

The company has an ESG and code of conduct policy in place that covers human rights and labour, which is distributed to all new employees. The policy defines the company's support and respect for the protection of internationally proclaimed human rights to make sure that businesses are not complicit in human rights abuse (United Nations Universal Declaration of Human rights, 1948). It furthermore defines the company's support to uphold the freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced and compulsory labour, effective abolition of child labour, elimination of discrimination in respect of employment and occupation (ILO Declaration on fundamental Principles and Rights at Work and its follow-up (International Labour Conference, 18 June 1998)). There were no reports of policy non-compliance incidents in 2023. The company will continue to monitor the policy for suitability, adequacy, and effectiveness on a regular basis and educate current and new employees as needed.

Anti-bribery and anti-corruption

Trithorn Bulk recognizes the critical importance of adhering to anti-bribery and anti-corruption practices in line with the statement on corporate social responsibility according to section 99 (a) of the Danish Financial Statements Act. While operating in a global market, the company faces inherent risks associated with bribery and corruption, which can significantly impact business operations, reputation, and legal standing.

One of the primary risks the company faces is the potential for unethical conduct when engaging with agents, suppliers, owners and customers in various jurisdictions, presenting opportunities for improper influence and bribery demands. Failure to comply with anti-bribery laws and regulations, including the Danish Financial Statements Act, can result in severe legal consequences, financial penalties, and reputational damage.

Trithorn Bulk is committed to conducting business in an ethical and honest manner and is committed to implementing and enforcing systems that ensure bribery is prevented. The company has an anti-bribery and anti-corruption policy in place that sets out the responsibilities of every
Trithorn Bulk employees in regard to observing and upholding our zero-tolerance position on bribery and corruption. The policy is distributed to all new employees and the policy is monitored for suitability, adequacy, and effectiveness on a regular basis. There were no reports of policy non-compliance incidents in 2023.

The company was again TRACE certified in 2023, which is a globally recognised anti-bribery, compliance, and good governance association.

The company remains committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the world it operates. Trithorn Bulks future expectations on the work with anti-bribery and anti-corruption is to proactively address evolving risks, embrace technology and innovation, foster collaboration, engage stakeholders, and invest in employee education and training. The company aspire to build a culture of integrity, transparency, and compliance that sustains our business success and earns the trust and confidence of our stakeholders.

Environment

Trithorn Bulk is committed to running according to local and internationally approved conventions within the environmental legislation and regulations in a responsible manner. The company takes a precautionary approach to environmental challenges through environmentally sustainable business procedures and technologies. The company’s main risk, related to the environment, is the fuel consumption of the vessels where consumption optimisation is constantly being analysed to ensure minimum fuel consumption as well as low sulphur regulations are being adhered to. The company will continue its commitment to emission reduction through IMO.

The company has an ESG and code of conduct policy in place that covers environmental responsibilities, which is distributed to all new employees. The policy defines the company’s support for a precautionary approach to environmental challenges to undertake initiatives promoting greater environmental responsibility to encourage the development and diffusion of environmentally friendly technologies (Agenda 21, UNCED, Rio 1992). There were no reports of policy non-compliance incidents in 2023. The company will continue to monitor the policy for suitability, adequacy, and effectiveness on a regular basis and educate current and new employees as needed.

Statement on gender composition, cf. section 99b of the Financial Statements Act

Management's review

Trithorn Bulk is a diverse workplace with multinational and mixed gender teams currently consisting of one-third women and two-third men. To provide a healthy work environment, the company strives to eliminate any kind of discrimination and encourage varied teams both culturally, nationally and gender-wise.

The Board of directors

The company has five board members elected. At the end of 2023, there were no female board members. The board is represented by the shareholders and as there were no change to the current ownership structure, the company did not implement any changes in 2023 towards the target for underrepresented gender at board level. As and when the Board nominates new candidates, the Board will include gender as a parameter. When appointing candidates to the Board, it is however important that the members hold professional qualifications relevant to the company's activities. Finding the member with the right qualifications will always supersede gender.

The company's ambition is to have at least one-sixth share of women in the board by 2027.

Other management levels

The company employs less than fifty employees and are therefore not required to have a gender composition policy or targets for other management levels.

	2023
Top management	
Total number of members	5
Underrepresented gender %	0%
Target figure %	17%
Year for meeting target	2027
Other management levels	
Total number of members	2
Underrepresented gender %	0%

Statement on data ethics, cf. section 99d of the Financial Statements Act

Trithorn Bulk, is committed to uphold The General Data Protection Regulation (GDPR) and all information from external parties and employees are treated responsibly and securely preventing unauthorized access. The company does not deal with personal data for commercial purpose and are therefore limited in data collection and processing.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2023 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	Group 2023	Group 2022	Parent company 2023	Parent company 2022
		TUSD	TUSD	TUSD	TUSD
Revenue	1	150,675	269,643	150,675	269,643
Other external expenses		-145,231	-248,752	-147,535	-251,222
Gross profit		**5,444**	**20,891**	**3,140**	**18,421**
Staff expenses	2	-2,903	-4,943	-715	-2,595
Profit/loss before financial income and expenses		**2,541**	**15,948**	**2,425**	**15,826**
Income from investments in subsidiaries		0	0	98	89
Financial income	3	643	191	643	191
Financial expenses	4	-56	-1,015	-53	-994
Profit/loss before tax		**3,128**	**15,124**	**3,113**	**15,112**
Tax on profit/loss for the year	5	-586	-2,439	-571	-2,427
Net profit/loss for the year	6	**2,542**	**12,685**	**2,542**	**12,685**

Balance sheet 31 December

Assets

		Group		Parent company	
	Note	2023	2022	2023	2022
		TUSD	TUSD	TUSD	TUSD
Investments in subsidiaries	7	0	0	472	374
Fixed asset investments		**0**	**0**	**472**	**374**
Fixed assets		**0**	**0**	**472**	**374**
Finished goods and goods for resale		4,459	1,399	4,459	1,399
Inventories		**4,459**	**1,399**	**4,459**	**1,399**
Trade receivables		3,740	7,244	3,740	7,236
Receivables from group enterprises		427	750	427	750
Other receivables		23	22	21	22
Deferred tax asset	9	0	44	0	44
Corporation tax		1	0	0	0
Prepayments	8	3,234	5,329	3,220	5,328
Receivables		**7,425**	**13,389**	**7,408**	**13,380**
Cash at bank and in hand		**13,377**	**22,571**	**13,222**	**22,325**
Current assets		**25,261**	**37,359**	**25,089**	**37,104**
Assets		**25,261**	**37,359**	**25,561**	**37,478**

Balance sheet 31 December

Liabilities and equity

	Note	Group 2023	Group 2022	Parent company 2023	Parent company 2022
		TUSD	TUSD	TUSD	TUSD
Share capital		96	96	96	96
Reserve for net revaluation under the equity method		0	0	434	335
Reserve for hedging transactions		-70	-294	-70	-294
Retained earnings		7,264	10,721	6,830	10,386
Proposed dividend for the year		6,000	9,000	6,000	9,000
Equity		**13,290**	**19,523**	**13,290**	**19,523**
Provision for deferred tax	9	0	0	0	0
Other provisions	10	89	1,115	89	1,115
Provisions		**89**	**1,115**	**89**	**1,115**
Trade payables		4,669	4,128	4,647	4,122
Payables to group enterprises		0	0	364	149
Corporation tax		617	0	617	0
Other payables	11	1,016	7,841	974	7,817
Deferred income	12	5,580	4,752	5,580	4,752
Short-term debt		**11,882**	**16,721**	**12,182**	**16,840**
Debt		**11,882**	**16,721**	**12,182**	**16,840**
Liabilities and equity		**25,261**	**37,359**	**25,561**	**37,478**

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Statement of changes in equity

Group

	Share capital	Reserve for hedging transactions	Retained earnings	Proposed dividend for the year	Total
	TUSD	TUSD	TUSD	TUSD	TUSD
Equity at 1 January	96	-294	10,721	9,000	19,523
Exchange adjustments	0	0	1	0	1
Ordinary dividend paid	0	0	0	-9,000	-9,000
Fair value adjustment of hedging instruments, beginning of year	0	377	0	0	377
Fair value adjustment of hedging instruments, end of year	0	-91	0	0	-91
Tax on adjustment of hedging instruments for the year	0	-62	0	0	-62
Net profit/loss for the year	0	0	-3,458	6,000	2,542
Equity at 31 December	**96**	**-70**	**7,264**	**6,000**	**13,290**

Parent company

	Share capital	Reserve for net revaluation under the equity method	Reserve for hedging transactions	Retained earnings	Proposed dividend for the year	Total
	TUSD	TUSD	TUSD	TUSD	TUSD	TUSD
Equity at 1 January	96	336	-294	10,386	9,000	19,524
Ordinary dividend paid	0	0	0	0	-9,000	-9,000
Fair value adjustment of hedging instruments, beginning of year	0	0	377	0	0	377
Fair value adjustment of hedging instruments, end of year	0	0	-91	0	0	-91
Tax on adjustment of hedging instruments for the year	0	0	-62	0	0	-62
Net profit/loss for the year	0	98	0	-3,556	6,000	2,542
Equity at 31 December	**96**	**434**	**-70**	**6,830**	**6,000**	**13,290**

Cash flow statement 1 January - 31 December

	Note	Group 2023	Group 2022
		TUSD	TUSD
Result of the year		2,542	12,685
Adjustments	13	-1	3,263
Change in working capital	14	-3,334	6,901
Cash flow from operations before financial items		**-793**	**22,849**
Financial income		643	191
Financial expenses		-56	-1,009
Cash flows from ordinary activities		**-206**	**22,031**
Corporation tax paid		12	-2,338
Cash flows from operating activities		**-194**	**19,693**
Dividend paid		-9,000	-15,000
Cash flows from financing activities		**-9,000**	**-15,000**
Change in cash and cash equivalents		**-9,194**	**4,693**
Cash and cash equivalents at 1 January		22,571	17,878
Cash and cash equivalents at 31 December		**13,377**	**22,571**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		13,377	22,571
Cash and cash equivalents at 31 December		**13,377**	**22,571**

Notes to the Financial Statements

1. Revenue

	Group		Parent company	
	2023	2022	2023	2022
	TUSD	TUSD	TUSD	TUSD
Geographical segments				
Globally	150,675	269,643	150,675	269,643
	150,675	**269,643**	**150,675**	**269,643**

2. Staff Expenses

	Group		Parent company	
	2023	2022	2023	2022
	TUSD	TUSD	TUSD	TUSD
Wages and salaries	2,710	4,820	608	2,473
Pensions	140	81	70	81
Other social security expenses	45	34	36	34
Other staff expenses	8	8	1	7
	2,903	**4,943**	**715**	**2,595**
Including remuneration to the Executive Board and Board of Directors	**252**	**246**	**0**	**0**
Average number of employees	**18**	**18**	**5**	**5**

3. Financial income

	Group		Parent company	
	2023	2022	2023	2022
	TUSD	TUSD	TUSD	TUSD
Other financial income	625	191	625	191
Exchange gains	18	0	18	0
	643	**191**	**643**	**191**

Notes to the Financial Statements

4. Financial expenses

	Group		Parent company	
	2023	2022	2023	2022
	TUSD	TUSD	TUSD	TUSD
Other financial expenses	56	85	53	82
Exchange loss	0	930	0	912
	56	**1,015**	**53**	**994**

5. Income tax expense

	Group		Parent company	
	2023	2022	2023	2022
	TUSD	TUSD	TUSD	TUSD
Current tax for the year	694	2,653	679	2,641
Deferred tax for the year	44	0	44	0
Adjustment of tax concerning previous years	-90	-323	-90	-323
	648	**2,330**	**633**	**2,318**
thus distributed:				
Income tax expense	586	2,439	571	2,427
Tax on equity movements	62	-109	62	-109
	648	**2,330**	**633**	**2,318**

6. Profit allocation

	Parent company	
	2023	2022
	TUSD	TUSD
Extraordinary dividend paid	0	4,000
Proposed dividend for the year	6,000	9,000
Reserve for net revaluation under the equity method	98	89
Retained earnings	-3,556	-404
	2,542	**12,685**

	Parent company 2023	Parent company 2022
	TUSD	TUSD

7. Investments in subsidiaries

	2023 TUSD	2022 TUSD
Cost at 1 January	38	38
Cost at 31 December	38	38
Value adjustments at 1 January	336	246
Exchange adjustment	0	-1
Net profit/loss for the year	98	91
Value adjustments at 31 December	434	336
Carrying amount at 31 December	**472**	**374**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Trithorn Bulk Chile SpA	Santiago, Chile	CLP 12.961k	100%
Trithorn Bulk Switzerland Sàrl	Bulle, Switzerland	CHF 20k	100%
Trithorn Bulk Ltd	Larnaka, Cyprus	EUR 1k	100%

8. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions, time-charter hire.

	Group		Parent company	
	2023	2022	2023	2022
	TUSD	TUSD	TUSD	TUSD

9. Provision for deferred tax

	Group 2023 TUSD	Group 2022 TUSD	Parent company 2023 TUSD	Parent company 2022 TUSD
Deferred tax liabilities at 1 January	-44	-44	-44	-44
Amounts recognised in the income statement for the year	44	0	44	0
Deferred tax liabilities at 31 December	**0**	**-44**	**0**	**-44**

10. Other provisions

	Group 2023	Group 2022	Parent company 2023	Parent company 2022
	TUSD	TUSD	TUSD	TUSD
Provision for future loss on voyages	89	1,115	89	1,115
	89	**1,115**	**89**	**1,115**

The provisions are expected to mature within 1 year.

11. Derivative financial instruments

Derivative financial instruments contracts in the form of forward exchange contracts have been concluded. At the balance sheet date, the fair value of derivative financial instruments amounts to:

	Group 2023	Group 2022	Parent company 2023	Parent company 2022
	TUSD	TUSD	TUSD	TUSD
Liabilities	91	377	91	377

Forward exchange contracts have been concluded to hedge future cost of bunker at a fixed price. At the balance sheet date, the fair value of the forward exchange contracts amounts to USD 91k

12. Deferred income

Deferred income consists of ongoing voyages at 31. December.

13. Cash flow statement - Adjustments

	Group 2023	Group 2022
	TUSD	TUSD
Financial income	-643	-191
Financial expenses	56	1,015
Tax on profit/loss for the year	586	2,439
	-1	**3,263**

14. Cash flow statement - Change in working capital

	Group 2023	Group 2022
	TUSD	TUSD
Change in inventories	-3,060	2,420
Change in receivables	5,921	5,916
Change in other provisions	-1,026	762
Change in trade payables, etc	-5,455	-1,702
Fair value adjustments of hedging instruments	286	-495
	-3,334	**6,901**

15. Contingent assets, liabilities and other financial obligations

	Group 2023	Group 2022	Parent company 2023	Parent company 2022
	TUSD	TUSD	TUSD	TUSD
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	10,363	25,837	10,363	25,837
	10,363	**25,837**	**10,363**	**25,837**

Other contingent liabilities

The Company has entered an agreement on lease of premises. The agreement can be terminated with 6 month notice. The total liability amounts to USD 25,6k, which are due within one year.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of TriKap A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

16. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
TriKap A/S	Ultimate Parent

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

There have been no such transactions.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
TriKap A/S	Copenhagen

17. Fee to auditors appointed at the general meeting

	Group		Parent company	
	2023	2022	2023	2022
	TUSD	TUSD	TUSD	TUSD
PricewaterhouseCoopers				
Audit fee	20	20	20	20
Other assurance engagements	5	2	5	2
Tax advisory services	2	9	2	9
	27	**31**	**27**	**31**

18. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

19. Accounting policies

The Annual Report of Trithorn Bulk A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in TUSD.

Recognition and measurement

All expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Trithorn Bulk A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

Other external expenses

Other external expenses comprise indirect production costs and expenses for time charter hire, bunker, premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Notes to the Financial Statements

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item“Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at USD 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Inventories

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

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning time charter hire, insurance premiums and subscriptions.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Notes to the Financial Statements

Cash and cash equivalents

Cash and cash equivalents comprise ”Cash at bank and in hand”.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of ordinary primary operations x 100 / Revenue
Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity