BUUS JENSEN
Statsautoriserede
Revisorer

Thurlestone Shipping Denmark ApS

Tingskiftevej 5, 2900 Hellerup

Company reg. no. 39 95 50 75

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 24 June 2024.

Merete Dalgas-Hansen
Chairman of the meeting

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RGD REVISORGRUPPEN DANMARK

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance USD 146.940 means the amount of USD 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Thurlestone Shipping Denmark ApS for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and 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.

The Board of Directors and the Managing Director consider the conditions for audit exemption of the 2023 financial statements to be met.

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

We recommend that the annual report be approved at the Annual General Meeting.

Hellerup, 24 June 2024

Managing Director

Merete Dalgas-Hansen

Board of directors

Liam Mark Ross

Merete Dalgas-Hansen

Independent practitioner’s report on review of the financial statements

To the Shareholder of Thurlestone Shipping Denmark ApS

We have reviewed the financial statements of Thurlestone Shipping Denmark ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies.

Management’s Responsibility 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 the financial statements that are free from material misstatement whether due to fraud or error.

Practitioner’s Responsibility

Our responsibility is to express a conclusion on the financial statements. We conducted our review in accordance with International Standard relating to Engagements to Review Historical Financial Statements and additional requirements under Danish Auditor regulation. This requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This requires us also to comply with relevant ethical requirements.

A review of financial statements in accordance with the International Standard relating to Engagements to Review Historical Financial Statements is a limited assurance engagement. The practitioner performs procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the company’s assets, liabilities and financial position as at 31 December 2023 and of its financial performance for the financial year 1 January to 31 December 2023 in accordance with the Danish Financial Statements Act.

Emphasis of Matter

As stated in note 1, there are uncertainties relating to the company's ability to continue as a going. Based on certain actions and assumptions, management expects to have the necessary liquidity to finance the planned activities for the coming year. Out opinion is not modified in respect of this matter.

Independent practitioner's report on review of the financial statements

Copenhagen, 24 June 2024

BUUS JENSEN
State Authorised Public Accountants
Company reg. no. 16 11 90 40

Michael Markussen
State Authorised Public Accountant
mne34295

Company information

The company	Thurlestone Shipping Denmark ApS Tingskiftevej 5 2900 Hellerup	
	Company reg. no.	39 95 50 75
	Established:	19 October 2018
	Domicile:	Hellerup
	Financial year:	1 January - 31 December 5th financial year
Board of directors	Liam Mark Ross Merete Dalgas-Hansen	
Managing Director	Merete Dalgas-Hansen	
Parent company	Thurlestone Shipping Limited	

Description of key activities of the company

The company's key activities is to operate ship brokerage and other related business at the discretion of the management.

Uncertainties connected with recognition or measurement

Management refers to note 1 in the financial statements, in which the management describes the uncertainties concerning the company’s ability to continue as a going concern.

Development in activities and financial matters

The gross profit for the year totals 36 T.USD against 107 T.USD last year. Results for the year totals -169 T.USD against -187 T.USD last year. Management considers the loss for the year unsatisfactory.

As the equity represents less than half of the subscribed capital, the Company is subject to the Danish Companies Act section 119 regarding loss of capital. Management expects to recover the capital by being profitable in the coming years.

Management refers to the accounting policies regarding the change of functional currency for 2023.

Income statement 1 January - 31 December

All amounts in USD.

Note		2023	2022
	Gross profit	**36.177**	**107.335**
2	Staff costs	-199.698	-277.511
	Depreciation and impairment of property, land, and equipment	-2.285	-1.312
	Operating profit	**-165.806**	**-171.488**
	Other financial income	949	31.897
3	Other financial expenses	-4.640	-47.474
	Pre-tax net profit or loss	**-169.497**	**-187.065**
	Tax on net profit or loss for the year	0	0
	Net profit or loss for the year	**-169.497**	**-187.065**
	Proposed distribution of net profit:		
	Allocated from retained earnings	-169.497	-187.065
	Total allocations and transfers	**-169.497**	**-187.065**

Balance sheet at 31 December

All amounts in USD.

Note	Assets	2023	2022
	Non-current assets		
4	Other fixtures, fittings, tools and equipment	3.237	5.522
	Total property, plant, and equipment	3.237	5.522
	Total non-current assets	**3.237**	**5.522**
	Current assets		
	Trade receivables	31.068	63.270
	Receivables from group enterprises	1.131	66.521
	Other receivables	23.464	21.754
	Prepayments	6.041	0
	Total receivables	61.704	151.545
	Cash and cash equivalents	1.532	43.978
	Total current assets	**63.236**	**195.523**
	Total assets	**66.473**	**201.045**

Balance sheet at 31 December

All amounts in USD.

Note	Equity and liabilities	2023	2022
	Equity		
	Contributed capital	7.171	7.171
	Retained earnings	-887.726	-718.229
	Total equity	**-880.555**	**-711.058**
	Liabilities other than provisions		
	Payables to group enterprises	885.000	885.000
5	Total long term liabilities other than provisions	885.000	885.000
	Trade payables	4.637	9.919
	Payables to group enterprises	25.353	0
	Other payables	32.038	17.184
	Total short term liabilities other than provisions	62.028	27.103
	Total liabilities other than provisions	**947.028**	**912.103**
	Total equity and liabilities	**66.473**	**201.045**

1 Uncertainties relating to going concern

6 Contingencies

Statement of changes in equity

All amounts in USD.

	Contributed capital	Retained earnings	Total
Equity 1 January 2022	7.171	-561.034	-553.863
Retained earnings for the year	0	-187.067	-187.067
Translation adjustments	0	29.872	29.872
Equity 1 January 2022	7.171	-718.229	-711.058
Retained earnings for the year	0	-169.497	-169.497
	7.171	**-887.726**	**-880.555**

Notes

All amounts in USD.

	2023	2022

1. Uncertainties relating to going concern

The company has incurred a net loss of 169 T.USD during the year ended 31 December 2023, and the total assets exceeded the total liabilities with -881 T.USD as of this date. The company is still not cash-positive in 2024 when the financial statements are issued.

The goal is to become profitable via organic growth, with brokers moving to the office and increasing revenue/profitability. Management expects the company to be cash-positive by the end of 2025.

To ensure the necessary liquidity to finance the planned activities for 2024, the company will be finacial supported by its shareholder.

Based on the above actions and assumptions, Management expects to have the necessary liquidity to finance the planned activities for the coming year. The financial statements have been prepared in accordance with the going concern principle.

2. Staff costs

	2023	2022
Salaries and wages	198.639	273.436
Other costs for social security	1.059	4.075
	199.698	**277.511**
Average number of employees	2	4

3. Other financial expenses

	2023	2022
Other financial costs	4.640	47.474
	4.640	**47.474**

Notes

All amounts in USD.

		31/12 2023	31/12 2022
4.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 January 2023	6.855	0
	Additions during the year	0	6.855
	Cost 31 December 2023	**6.855**	**6.855**
	Depreciation and write-down 1 January 2023	-1.333	0
	Amortisation and depreciation for the year	-2.285	-1.333
	Depreciation and write-down 31 December 2023	**-3.618**	**-1.333**
	Carrying amount, 31 December 2023	**3.237**	**5.522**

5. Long term labilities other than provisions

	Total payables 31 Dec 2023	**Current portion of long term payables**	**Long term payables 31 Dec 2023**	**Outstanding payables after 5 years**
Payables to group enterprises	885.000	0	885.000	0
	885.000	**0**	**885.000**	**0**

6. Contingencies

Contingent liabilities

	USD in thousands
Total contingent liabilities	24

Accounting policies

The annual report for Thurlestone Shipping Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from the previous year, and the annual report is presented in American dollars (USD). The company changed its functional currency as of 1 January 2023 from Danish Krone (DKK) to American dollars (USD). The opening balance at the start of the financial year was translated according to the closing rate method, and comparative figures were translated by using the exchange rate prevailing at the date of the transaction.

The exchange rate between American dollars (USD) and Danish Krone (DKK) were the following on the balance sheet date:

- 31 December 2023: 100,00 USD = 674,4700 DKK
- 31 December 2022: 100,00 USD = 697,2200 DKK

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Gross profit comprises the revenue, cost of sales and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Cost of sales comprises costs concerning brokerage commissions and other direct costs related to create revenue.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Leases

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.