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BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

DSO HOLDING APS

TØNDERGADE 16, 1752 KØBENHAVN V

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 5 July 2024

Ole Bødtcher-Hansen

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 40 53 45 20

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COMPANY DETAILS

Company	DSO Holding ApS Tøndergade 16 1752 Copenhagen V	
	CVR No.:	40 53 45 20
	Established:	20 May 2019
	Municipality:	Copenhagen
	Financial Year:	1 January - 31 December
Executive Board	Ole Bødtcher-Hansen Søren Rasmussen Daniel Purser Tindall	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V	

MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the Annual Report of DSO Holding ApS for the financial year 1 January - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

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

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

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

Copenhagen, 5 July 2024

Executive Board

Ole Bødtcher-Hansen	Søren Rasmussen	Daniel Purser Tindall

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of DSO Holding ApS

Opinion

We have audited the Financial Statements of DSO Holding 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. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.*

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such Internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- *Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.*

INDEPENDENT AUDITOR'S REPORT

- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.*
- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.*
- *Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.*
- *Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Copenhagen, 5 July 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Christensen
State Authorised Public Accountant
MNE no. mne35626

MANAGEMENT COMMENTARY

Principal activities

The Company's primary activity is to be the owner of the subsidiary Ocean Victory Partners Ltd. The subsidiary owns an expedition cruise vessel - Ocean Victory – which is chartered out to various cruise operators worldwide. Ocean Victory was delivered to its Charterer in November 2021.

The vessel has, from the date of its delivery, been chartered out on long term charter contracts.

The Company has outsourced vessel ship management, including Technical Management and Hotel Management, to Anglo-Eastern Cruise Management Inc., Miami, Florida and Anglo-Eastern Leisure, Unipessoal S.A., a sister company to Anglo-Eastern Cruise Management Inc.

Development in activities and financial and economic position

DSO Holding ApS was established in May 2019 as Ocean Albatros ApS with a share capital of USD 13,533. Ocean Albatros ApS changed its name to DSO Holding Aps in November 2019. Ocean Victory Partners Ltd. was acquired at cost during 2019 along with Albatros Owner Ltd.

During 2019 the Company made the required full Shipyard down payments and obtained external financing from the date of delivery of the vessels. Each vessel owning company has, for the down payments, been financed by Shareholder Loans.

In April 2023, at the time of delivery of Ocean Albatros, the down payments and Shareholder Loans in Albatros Owner Ltd. were sold to an external buyer.

There have been no other changes to the Balance Sheet composition during the year except for normal operational changes.

Profit/loss for the year compared to the expected development

In 2023, the Company realized a gain of USD 1,063,622 which is considered satisfactory. The result exceeds Management's expectations.

As of 31 December 2023, the equity amounted to USD 3,269,474.

MANAGEMENT COMMENTARY

Significant events after the end of the financial year
In February 2024 Hornblower Holdings LLC and certain of its affiliates (including the summer charterer Victory Operating Company LLC) filed for chapter 11 at the United States Bankruptcy Court for the Southern District of Texas. Victory Operating Company LLC is the summer Charterer of Ocean Victory. Following the Bankruptcy of Victory Operating Company LLC Ocean Victory Partners Ltd. has entered into a charter contract with Alma Victoria S. L. for ten summer seasons from the summer of 2025. Ocean Victory will be laid up during the 2024 summer season.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Future expectations
The 2024 summer season layup of Ocean Victory will impact the profit for 2024 as the vessel will only be operating during the winter season periods. For 2024 Management expects a loss for the year in the range between USD 2 to USD 4 million.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 USD	2022 USD
GROSS LOSS		**-14.227**	**-7.990**
Income from investments in subsidiaries		1.078.588	1.258.510
Other financial expenses		0	-13
PROFIT BEFORE TAX		**1.064.361**	**1.250.507**
Tax on profit/loss for the year	2	-739	0
PROFIT FOR THE YEAR		**1.063.622**	**1.250.507**

PROPOSED DISTRIBUTION OF PROFIT

Allocation to reserve for net revaluation according to equity value		1.078.588	1.258.510
Retained earnings		-14.966	-8.003
TOTAL		**1.063.622**	**1.250.507**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 USD	2022 USD
Equity investments in group enterprises		3.317.558	2.262.136
Financial non-current assets	3	**3.317.558**	**2.262.136**
NON-CURRENT ASSETS		**3.317.558**	**2.262.136**
Receivables from group enterprises		23.167	0
Other receivables		5.000	1.721
Receivables		**28.167**	**1.721**
Cash and cash equivalents		**2.266**	**2.711**
CURRENT ASSETS		**30.433**	**4.432**
ASSETS		**3.347.991**	**2.266.568**

EQUITY AND LIABILITIES			
Share Capital		13.533	13.533
Reserve for net revaluation according to equity value		3.255.941	2.252.136
Retained profit		0	-59.817
EQUITY		**3.269.474**	**2.205.852**
Trade payables		7.816	7.216
Payables to group enterprises		70.701	53.500
Current liabilities		**78.517**	**60.716**
LIABILITIES		**78.517**	**60.716**
EQUITY AND LIABILITIES		**3.347.991**	**2.266.568**

EQUITY

USD	Share Capital	Reserve for net revaluation according to equity va	Retained profit	Total
Equity at 1 January 2023	13.533	2.252.136	-59.817	2.205.852
Proposed profit allocation		1.078.588	-14.966	1.063.622
Other legal bindings				
Other adjustments to equity value		-74.783	74.783	0
Equity at 31 December 2023	**13.533**	**3.255.941**	**0**	**3.269.474**

NOTES

	2023 USD	2022 USD	Note
Staff costs			**1**
Average number of full time employees	1	1	
Tax on profit/loss for the year			**2**
Calculated tax on taxable income of the year	739	0	
	739	**0**	

Financial non-current assets **3**

USD	Equity investments in group enterprises
Cost at 1 January 2023	10.000
Disposals	-5.000
Cost at 31 December 2023	**5.000**
Revaluation at 1 January 2023	2.252.136
Revaluation and impairment losses for the year	1.078.588
Other adjustments	-18.166
Revaluation at 31 December 2023	**3.312.558**
Carrying amount at 31 December 2023	**3.317.558**

ACCOUNTING POLICIES

The Annual Report of DSO Holding ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The figures in the Annual Report are presented in USD because this currency is regarded as the most relevant as the main part of the Company's activities are settled in this currency. The exchange rate of USD against DKK is 6,74 at 31 December 2023 and 6,97 at 31 December 2022.

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

INCOME STATEMENT

Other external expenses
Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Income from investments in subsidiaries
The proportional share of the results of subsidiaries, stated according to the Parent Company's accounting policies and with full elimination of unrealised intercompany profits/losses and deduction of amortisation of added value and goodwill resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company's Income Statement.

In connection with transfers, potential profits are recognised when the economic rights related to the sold subsidiaries are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Financial income and expenses
Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Financial non-current assets
Investments in Equity interests in subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

Equity investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

ACCOUNTING POLICIES

Net revaluation of equity interests in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Profit and loss at disposal of investments in subsidiaries are determined as the difference between the net selling price and the carrying amount of the disposed investment at the time of sale, including non-depreciated excess values and goodwill. Profit and loss are recognised in the Income Statement under income from investments.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the Company has a legal or actual liability to cover the subsidiaries deficit.

Receivables

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

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Tax payable and deferred tax

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

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

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

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

Liabilities

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

The amortised cost of current liabilities corresponds usually to the nominal value.

ACCOUNTING POLICIES

Foreign currency translation

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

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

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