



DSO Holding ApS

Tøndergade 16
1752 København V
CVR No. 40534520

Annual report 2020

The Annual General Meeting adopted the
annual report on 04.06.2021

Niels-Erik Thamdrup Lund

Chairman of the General Meeting

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Entity details

Entity

DSO Holding ApS
Tøndergade 16
1752 København V

CVR No.: 40534520

Date of foundation: 20.05.2019

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

Executive Board

Ole Bødtcher-Hansen, Managing Director

Niels-Erik Thamdrup Lund, Director

Søren Rasmussen, Director

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of DSO Holding ApS for the financial year 01.01.2020 - 31.12.2020.

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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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

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

Copenhagen, 04.06.2021

Executive Board

Ole Bødtcher-Hansen
Managing Director

Niels-Erik Thamdrup Lund
Director

Søren Rasmussen
Director

Independent auditor's report

To the shareholders of DSO Holding ApS

Opinion

We have audited the financial statements of DSO Holding ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including 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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 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 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 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 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 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the management commentary.

Copenhagen, 04.06.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Hansen

State Authorised Public Accountant
Identification No (MNE) mne24828

Management commentary

Primary activities

The Company's primary activity is to be the owner of the two subsidiaries Ocean Victory Partners Ltd. and Albatros Owner Ltd. The two subsidiaries will each own an expedition cruise vessel - Ocean Victory and Ocean Albatros – which will be chartered out to various cruise operators worldwide. Both vessels have, from their date of delivery, been chartered out on long term charter contracts.

Ocean Victory and Ocean Albatros are both under construction at the CMIH Shipyard in Haimen, China. In last year's Financial Statements, it was estimated that Ocean Victory would be delivered to its Charterer in late 2020 and Ocean Albatros in October 2022. Due to the COVID-19 virus the delivery of Ocean Victory has been slightly delayed. The delivery date will be the end of April 2021. There is no change to the delivery date of Ocean Albatros.

The Company has outsourced vessel ship management, including Technical Management and Hotel Management, to Cruise Management International Inc., Miami, Florida and CMI Leisure Ltd., a sister company to Cruise Management International Inc.

Description of material changes in activities and finances

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. Both Ocean Victory Partners Ltd. and Albatros Owner Ltd. were acquired at cost during 2019.

The Company has during 2019 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.

As a result of the spread of the COVID-19 virus, economic uncertainties arose during 2020 which negatively impacted net profit. With the later than expected delivery of Ocean Victory the company realized a loss and a decrease in equity. Management is closely monitoring the COVID-19 situation and the impact this may have on the operation and financial situation of the Company.

In 2020, the Company realized a loss of USD 35,151 which was worse than expected, mainly due to the delay in the delivery of Ocean Victory. Management therefore considers the result unsatisfactory. For the financial year 2021, Management expects an improved profit compared to 2020.

As of 31 December 2020, the equity amounted to USD 36,820.

Even considering the economic uncertainties, Management expects a positive cash flow for 2021 and believes that the Company will be able to meet its obligations as they fall due.

Events after the balance sheet date

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

Income statement for 2020

	Notes	2020 USD	2019 USD
Gross profit/loss		(32,387)	(6,654)
Income from investments in group enterprises		(3,033)	65,469
Other financial income		357	0
Other financial expenses		(88)	(377)
Profit/loss for the year		(35,151)	58,438
Proposed distribution of profit and loss			
Retained earnings		(35,151)	58,438
Proposed distribution of profit and loss		(35,151)	58,438

Balance sheet at 31.12.2020

Assets

	Notes	2020 USD	2019 USD
Investments in group enterprises		72,436	75,469
Financial assets	1	72,436	75,469
Fixed assets		72,436	75,469
Cash		12,384	2,693
Current assets		12,384	2,693
Assets		84,820	78,162

Equity and liabilities

	Notes	2020 USD	2019 USD
Contributed capital		13,533	13,533
Reserve for net revaluation according to the equity method		62,436	65,469
Retained earnings		(39,149)	(7,031)
Equity		36,820	71,971
Payables to associates		40,000	0
Non-current liabilities other than provisions	2	40,000	0
Other payables		8,000	6,191
Current liabilities other than provisions		8,000	6,191
Liabilities other than provisions		48,000	6,191
Equity and liabilities		84,820	78,162
Working conditions	3		

Statement of changes in equity for 2020

	Contributed capital USD	Reserve for net revaluation according to the equity method USD	Retained earnings USD	Total USD
Equity beginning of year	13,533	65,469	(7,031)	71,971
Profit/loss for the year	0	(3,033)	(32,118)	(35,151)
Equity end of year	13,533	62,436	(39,149)	36,820

Notes

1 Financial assets

	Investments in group enterprises USD
Cost beginning of year	10,000
Cost end of year	10,000
Revaluations beginning of year	65,469
Share of profit/loss for the year	(3,033)
Revaluations end of year	62,436
Carrying amount end of year	72,436

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Ocean Victory Partners Ltd.	Bahamas	Ltd.	100
Ocean Albatros Owner Ltd.	Bahamas	Ltd.	100

2 Non-current liabilities other than provisions

	Due after more than 12 months 2020 USD
Payables to associates	40,000
	40,000

3 Working conditions

There have been no employees during the financial year and there have been no payments of wages or remuneration to the Executive Board.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

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

The annual report has been prepared and presented in USD. A DKK/USD exchange rate of 6,058.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

Income statement

Gross profit or loss

The gross loss comprises of other external expenses.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

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

Other financial income comprises realized exchange adjustments.

Other financial expenses

Financial expenses comprise interest as well as realized and unrealized exchange adjustments.

Balance sheet**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

Cash

Cash comprises cash in bank deposits.

Other financial liabilities

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