

F50 DENMARK A/S

C/O NJORD ADVOKATPARTNERSELSKAB, PILESTRÆDE 58, DK-1112 KØBENHAVN K

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 27 June 2024**

Andrew Paul Thompson

CVR NO. 40 99 63 38

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COMPANY DETAILS

Company	F50 Denmark A/S c/o NJORD Advokatpartnerselskab, Pilestræde 58 DK-1112 København K CVR No.: 40 99 63 38 Established: 5 December 2019 Municipality: Copenhagen Financial Year: 1 January - 31 December
Board of Directors	Russel Coutts, chairman Andrew Paul Thompson Julien Di Biase
Executive Board	Andrew Paul Thompson
Auditor	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of F50 Denmark A/S 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.

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

Copenhagen, 27 June 2024

Executive Board

Andrew Paul Thompson

Board of Directors

Russel Coutts
Chairman

Andrew Paul Thompson

Julien Di Biase

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholder of F50 Denmark A/S

Opinion

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 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of F50 Denmark 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 ("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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the 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 Extended Review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

THE INDEPENDENT AUDITOR'S REPORT

Hellerup, 27 June 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Bo Schou-Jacobsen
State Authorised Public Accountant
MNE no. mne28703

Ming Thieu Son Tang
State Authorised Public Accountant
MNE no. mne49833

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
GROSS PROFIT		19,196,009	-25,103,440
Staff costs.....	2	-2,781,463	-2,476,864
Depreciation, amortisation and impairment losses.....		-36,329	-42,437
OPERATING PROFIT		16,378,217	-27,622,741
Other financial income.....		239,671	1,635,245
Other financial expenses.....		-163,472	-41,082
PROFIT BEFORE TAX		16,454,416	-26,028,578
Tax on profit/loss for the year.....	3	-645,480	-3,836,410
PROFIT FOR THE YEAR		15,808,936	-29,864,988
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		15,808,936	-29,864,988
TOTAL		15,808,936	-29,864,988

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Other plant, machinery tools and equipment.....		55,260	91,589
Property, plant and equipment.....	4	55,260	91,589
NON-CURRENT ASSETS.....		55,260	91,589
Trade receivables.....		32,827,054	283,892
Receivables from group enterprises.....		0	16,292,249
Other receivables.....		0	8,161,148
Prepayments.....		138,634	4,465,124
Receivables.....		32,965,688	29,202,413
Cash and cash equivalents.....		853,311	2,706,791
CURRENT ASSETS.....		33,818,999	31,909,204
ASSETS.....		33,874,259	32,000,793
EQUITY AND LIABILITIES			
Share Capital.....		410,938	410,938
Retained earnings.....		-27,677,187	-43,486,123
EQUITY.....		-27,266,249	-43,075,185
Bank debt.....		0	29
Trade payables.....		196,803	3,533,771
Debt to group enterprises.....		48,207,808	65,502,905
Corporation tax.....		645,480	0
Other liabilities.....		3,521,802	56,691
Deferred income.....		8,568,615	5,982,582
Current liabilities.....		61,140,508	75,075,978
LIABILITIES.....		61,140,508	75,075,978
EQUITY AND LIABILITIES.....		33,874,259	32,000,793
Contingent assets, liabilities and other financial obligations	5		
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EQUITY

DKK	Share Capital	Retained earnings	Total
Equity at 1 January 2023.....	410,938	-43,486,123	-43,075,185
Proposed profit allocation.....		15,808,936	15,808,936
Equity at 31 December 2023	410,938	-27,677,187	-27,266,249

NOTES

			Note
Information on principal activities as well as accounting and financial matters			1
The principal activities comprise management and operation of a professional sailing team and conduct sailing events.			
	2023	2022	
	DKK	DKK	
Staff costs			2
Average number of full time employees	1	1	
Wages and salaries.....	2,781,463	2,476,864	
	2,781,463	2,476,864	
Tax on profit/loss for the year			3
Calculated tax on taxable income of the year.....	645,480	0	
Adjustment of deferred tax.....	0	3,836,410	
	645,480	3,836,410	
Property, plant and equipment			4
		Other plant, machinery tools and equipment	
Cost at 1 January 2023.....		188,397	
Cost at 31 December 2023.....		188,397	
Depreciation and impairment losses at 1 January 2023.....		96,808	
Depreciation for the year.....		36,329	
Depreciation and impairment losses at 31 December 2023.....		133,137	
Carrying amount at 31 December 2023.....		55,260	
Contingent assets, liabilities and other financial obligations			5
There are no contingent assets, liabilities and other financial obligations.			

NOTES

	Note
<p>Related parties Consolidated Financial Statements The Company is included in the Group Annual Report of the ultimate parent, which is:</p> <p>Oracle Racing Inc 101 Ygnacio Valley Road Suite 320 Walnut Creek, California 94596 USA</p> <p>The Group Annual Report of Oracle Racing Inc. can not be obtained.</p>	6
<p>Transactions Transactions with related parties has been carried out at arm's length terms.</p>	
<p>Capital resources The result for the period from 1 January 2023 to 31 December 2023 shows a profit of DKK 15,808,936 and an equity of DKK -27,266,249 at 31 December 2023.</p> <p>The Company's equity is lost. It is Management expectation that the equity will be restored in the future via capital contributions, earnings or a combination hereof.</p> <p>The Company has received a letter of support from its Parent Company, which is effective at least 16 months from the date the financial statements are issued for the year ended 31 December 2023.</p> <p>On this basis, Management assesses that the capital resources are sufficient, and the annual report is therefore presented under assumption of going concern.</p>	7
<p>Significant events after the end of the financial year No events have occurred after the end of the financial year of material importance for the company's financial position.</p>	8

ACCOUNTING POLICIES

The Annual Report of F50 Denmark A/S 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 Financial Statements for 2023 are presented in DKK.

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

INCOME STATEMENT

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

Net revenue

Revenue comprises invoiced sale of goods and services as well as uninvoiced income related to services in progress and is recognised when the risks and rewards relating to the goods and services 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 Company.

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

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include cost of sales, advertising, administration, bad debts, operating lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, 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 in the income statement by the amounts that relate to the financial year.

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 portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Tangible fixed assets

Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment.....	5 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets

The carrying amount of tangible assets are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

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

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

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 carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

ACCOUNTING POLICIES

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

Amortised cost for short-term liabilities usually corresponds to the nominal value.

Accruals, liabilities

Accruals recognised as liabilities include payments received regarding income in subsequent years.

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 time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.