Tel.: +45 39 15 52 00
koebenhavn@bdo.dk
www.bdo.dk

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

DANISH CRUISE HOLDINGS APS

C/O OLE BØDTCHER-HANSEN, SOFIEVEJ 7, 2950 VEDBÆK

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 11 July 2024

Ole Bødtcher-Hansen

CVR NO. 41 04 59 06

CONTENTS

COMPANY DETAILS

Company	Danish Cruise Holdings ApS c/o Ole Bødtcher-Hansen, Sofievej 7 2950 Vedbæk	
	CVR No.:	41 04 59 06
	Established:	1 January 2020
	Municipality:	Hørsholm
	Financial Year:	1 January - 31 December
Executive Board	Søren Rasmussen Ole Bødtcher-Hansen Daniel Pursur 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 Danish Cruise Holdings 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 Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of Group's and the Company's assets, liabilities and financial position at 31 December 2023 and of the results of Group's and the Company's operations and cash flows 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, 11 July 2024

Executive Board

Søren Rasmussen	Ole Bødtcher-Hansen	Daniel Pursur Tindall

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Danish Cruise Holdings ApS

Opinion

We have audited the Consolidated Financial Statements and the Annual Financial Statements of the Company of Danish Cruise Holdings 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 for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. The Consolidated Financial Statements and the Annual Financial Statements of the Company are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of the assets, liabilities and financial position of the Group or the Company at 31 December 2023 and of the results of the Group and the Parent Company's operations as well as the consolidated cash flows of the Group 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 Consolidated Financial Statements and the Annual Financial Statements of the Company” 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 (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.

Material uncertainty relating to Going Concern

We draw attention to the fact that there is significant uncertainty that may cast substantial doubt on the company's ability to continue as a going concern. We refer to Note 14 in the annual report, which indicates that it is currently uncertain whether a moratorium is granted, if the deposit is received and if interim financing can be obtained. However, management believes that above will be fulfilled, and therefore the financial statements have been prepared on the basis of the company’s continued operation. Our conclusion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Statements and the Annual Financial Statements of the Company

Management is responsible for the preparation of Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Annual Financial Statements of the Company, 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 Consolidated Financial Statements and the Annual Financial Statements of the Company unless Management either intends to liquidate the Group or the 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 Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company.

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 Consolidated Financial Statements and the Annual Financial Statements of the Company, 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 Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company, including the disclosures, and whether the Consolidated Financial Statements and the Annual Financial Statements of the Company 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.

Statement on Management Commentary

Management is responsible for Management Commentary.

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

INDEPENDENT AUDITOR'S REPORT

In connection with our audit of the Consolidated Financial Statements and the Annual Financial Statements of the Company, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company 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, 11 July 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Christensen State Authorised Public Accountant MNE no. mne35626	Søren Søndergaard Jensen State Authorised Public Accountant MNE no. mne32069

FINANCIAL HIGHLIGHTS OF THE GROUP

	2023 USD '000	2022 USD '000	2021 USD '000	2020 USD '000
Income statement				
Gross profit/loss	-3,037	25,969	14,253	23,514
Operating profit/loss before depreciation and amortisation (EBITDA)	-10,787	6,393	4,723	12,553
Operating profit/loss of main activities	-17,844	-8,538	-3,329	4,694
Financial income and expenses, net	-3,017	-939	-1,647	-1,759
Profit/loss for the year before tax	-20,861	-9,478	-4,976	2,936
Profit/loss for the year	-20,861	-9,533	-5,440	3,344
Balance sheet				
Total assets	105,478	56,276	77,884	70,867
Equity	14,094	34,955	12,972	15,854
Cash flows				
Cash flows from operating activities	-6,001	12,286	-2,445	-2,437
Cash flows from investing activities	-62,119	-894	-3,092	-934
Cash flows from financing activities	65,882	-9,111	4,626	-1,880
Total cash flows	-2,238	2,281	-911	-5,251
Investment in property, plant and equipment	-62,118	-1,132	-3,053	0
Key ratios				
Equity ratio	13.4	62.1	16.7	22.4
Return on equity	-85.1	-39.8	-37.7	42.2

The ratios stated in the list of key figures and ratios have been calculated as follows:

Equity ratio: $\frac{\text{Equity (ex. minorities), at year-end x 100}}{\text{Total assets, at year-end}}$

Return on equity: $\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

MANAGEMENT COMMENTARY

Principal activities
The Group's primary activity is to be the owner of shares in associates, to supply financing to associates and to invest in securities and other financial instruments.

The Group owns five vessel owning companies. Each vessel owing company owns an expedition cruise vessel.

Development in activities and financial and economic position
The Group's vessels experienced unusual high operational costs during 2023. This was partly caused by the aftermath of the COVID-19 period, but also due to unforeseen operational events.

Ocean Diamond was put up for sale in 2023, and on 27 February 2024, the vessel was delivered to its new owners. In 2023, the management decided to impair the vessel by USD 6 million.

In December 2023 the Group entered into an agreement with the Charterer of Ocean Adventurer giving the Charterer the right to terminate the Charter Agreement early by providing a minimum of six months' notice. Depending on the time of redelivery the Charterer would have to pay a certain redelivery fee.

To strengthen the cash position of the group the Shareholders provided Shareholder Loans of total USD 4.3 million during the year.

Profit/loss for the year compared to the expected development
In 2023, the Group realized a loss of USD 20.9 million which was worse than expected. USD 12.7 million of the loss was caused by the impairment and lost summer revenue on Ocean Diamond and USD 5 million was caused by unusual operational events. Management considers the result unsatisfactory.

Material uncertainty relating to Going Concern
The Group's continued operation is dependent on the outcome of the following uncertain conditions. Negotiations are ongoing regarding a moratorium on overdue debt to the former charterer of Ocean Atlantic amounting to 4 million USD plus interest. Management expects that an agreement on the moratorium will be reached.

A new charter agreement was entered into in 2024. In connection with this, the charterer was required to pay a deposit of 2.6 million USD, which is due. At present, 600 thousand USD has been paid, and 2 million USD remains outstanding. Management expects the remaining 2 million USD to be paid in July 2024.

In addition to the above uncertainties, the Group's budgets show an uncovered liquidity requirement of 0.7 million USD until the end of August 2024. Management assesses that this liquidity requirement can be covered either by contributions from owners, obtaining interim financing, or by agreeing on a payment deferral with one or more of the Group's creditors.

Based on above, Management believes that the financial statements are appropriately prepared based on the going concern principle.

Significant events after the end of the financial year
Following cancellation of the 2023-2025 summer seasons Ocean Diamond was put up for sale and on 27 February 2024 the vessel was delivered to its new owners. The full sales proceeds were used to repay part of the Group's loan financing. Based on the extraordinary loan repayment the Group's loan will now be repaid in full by October 2025 and not as earlier by July 2026.

On 8 January 2024, the Charterer of Ocean Adventurer exercised its option to terminate the Charter Agreement in exchange for a redelivery fee of USD 4,5 million to be paid at the time of redelivery of the vessel. The Charterer will redeliver the vessel prior to the 2024 winter season. The Group is working on finding alternative employment opportunities for the vessel and is confident that this will happen.

On 6 May 2024, the Group entered into a 5-year Bareboat Hire Purchase Agreement on Ocean Atlantic

MANAGEMENT COMMENTARY

Significant events after the end of the financial year (continued)
with delivery in October 2024. As a result of the Bareboat Hire Purchase Agreement USD 6.5 million of the impairment was reversed.

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

Future expectations
Following the COVID-19 period the market recovery has been slower than expected and is to a certain extend still causing challenges for the Expedition Cruise niche market. It is expected though that the 2024 season will be good mainly driven by pent-up demand and the desire to travel again.

The Group has a positive outlook for 2024. The Group continues to focus on obtaining long term contracts for its vessels and on its unique competence within its niche market. For 2024 Management expects a gross profit in the range between USD 29 to USD 32 million and a profit for the year in the range between USD 1 to USD 4 million.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	Group 2023 USD	Group 2022 USD	Parent Company 2023 USD	Parent Company 2022 USD
GROSS LOSS	1	**-3,036,811**	**25,968,584**	**-97,931**	**-953,463**
Staff costs	2	-7,750,518	-19,575,385	0	0
Depreciation, amortisation and impairment losses		-7,056,529	-14,931,680	-30,904	-30,904
OPERATING LOSS		**-17,843,858**	**-8,538,481**	**-128,835**	**-984,367**
Income from investments in subsidiaries		0	0	-18,924,052	-8,594,436
Other financial income		141,399	144,275	173	24
Other financial expenses		-3,158,195	-1,083,572	-47,606	-376
LOSS BEFORE TAX		**-20,860,654**	**-9,477,778**	**-19,100,320**	**-9,579,155**
Tax on loss for the year	3	0	-55,321	0	46,056
LOSS FOR THE YEAR	4	**-20,860,654**	**-9,533,099**	**-19,100,320**	**-9,533,099**

BDO

BALANCE SHEET AT 31 DECEMBER

		Group		Parent Company	
ASSETS	**Note**	**2023** USD	**2022** USD	**2023** USD	**2022** USD
Goodwill		92,710	123,614	92,710	123,614
Intangible assets	5	**92,710**	**123,614**	**92,710**	**123,614**
Ships		90,876,027	35,782,824	0	0
Property, plant and equipment	6	**90,876,027**	**35,782,824**	**0**	**0**
Investments in subsidiaries		0	0	21,874,822	34,664,749
Financial non-current assets	7	**0**	**0**	**21,874,822**	**34,664,749**
NON-CURRENT ASSETS		**90,968,737**	**35,906,438**	**21,967,532**	**34,788,363**
Raw materials and consumables		381,956	249,389	0	0
Inventories		**381,956**	**249,389**	**0**	**0**
Trade receivables		2,935,409	328,603	11,469	8,452
Receivables from group enterprises		73,185	0	303,384	0
Other receivables		4,018,778	2,026,697	6,078	52,133
Prepayments	8	5,209,447	13,636,254	0	0
Receivables	9	**12,236,819**	**15,991,554**	**320,931**	**60,585**
Cash and cash equivalents		**1,890,549**	**4,128,825**	**43,969**	**800,504**
CURRENT ASSETS		**14,509,324**	**20,369,768**	**364,900**	**861,089**
ASSETS		**105,478,061**	**56,276,206**	**22,332,432**	**35,649,452**

BALANCE SHEET AT 31 DECEMBER

		Group		Parent Company	
EQUITY AND LIABILITIES	**Note**	**2023** USD	**2022** USD	**2023** USD	**2022** USD
Share Capital		18,037	18,037	18,037	18,037
Reserve for net revaluation under the equity method		0	0	896,067	24,031,766
Retained earnings		14,075,837	34,936,491	14,940,104	10,904,725
EQUITY		**14,093,874**	**34,954,528**	**15,854,208**	**34,954,528**
Bank debt		53,001,978	8,827,900	0	0
Debt to owners and Management		11,219,614	0	4,322,607	0
Non-current liabilities	10	**64,221,592**	**8,827,900**	**4,322,607**	**0**
Bank debt		8,621,902	3,134,004	0	0
Prepayments from customers		9,860,271	3,726,378	0	0
Trade payables		7,204,066	3,916,675	45,243	152,341
Debt to Group companies		0	0	2,092,627	438,385
Debt to associated enterprises		0	5,047	5,047	5,047
Other liabilities		1,476,356	1,711,674	12,700	99,151
Current liabilities		**27,162,595**	**12,493,778**	**2,155,617**	**694,924**
LIABILITIES		**91,384,187**	**21,321,678**	**6,478,224**	**694,924**
EQUITY AND LIABILITIES		**105,478,061**	**56,276,206**	**22,332,432**	**35,649,452**

Contingencies etc.	11
Charges and securities	12
Related parties	13
Information on uncertainty with respect to going concern	14

EQUITY

	Group		
	Share Capital	Retained earnings	Total
Equity at 1 January 2023	18,037	34,936,491	34,954,528
Proposed profit allocation, note 4		-20,860,654	-20,860,654
Equity at 31 December 2023	**18,037**	**14,075,837**	**14,093,874**

	Parent Company			
	Share Capital	Reserve for net revaluati-on under the equity method	Retained earnings	Total
Equity at 1 January 2023	18,037	24,031,766	10,904,725	34,954,528
Proposed profit allocation, note 4		-18,924,052	-176,268	-19,100,320
Other legal bindings				
Other adjustments to equity value		-4,211,647	4,211,647	0
Equity at 31 December 2023	**18,037**	**896,067**	**14,940,104**	**15,854,208**

CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

	Group	
	2023	**2022**
	USD	USD
Loss for the year	-20,860,654	-9,533,099
Depreciation and amortisation, reversed	7,056,529	14,932,354
Tax on profit/loss, reversed	0	25,276
Change in inventories	-132,567	3,658,917
Change in receivables (ex tax)	3,754,723	6,166,175
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	4,180,919	-2,963,503
Other cash flows from operating activities	5	0
CASH FLOWS FROM OPERATING ACTIVITY	**-6,001,045**	**12,286,120**
Purchase of intangible assets	0	-60,248
Sale of intangible fixed assets	0	156,258
Purchase of property, plant and equipment	-62,118,828	-1,131,938
Sale of property, plant and equipment	0	142,123
CASH FLOWS FROM INVESTING ACTIVITY	**-62,118,828**	**-893,805**
Changes in subordinated loan capital	0	37,815,733
Conversion of loans to subordinated loan capital	0	-37,815,733
Instalments on loans	-5,691,847	-2,810,729
Loans obtained	66,573,437	0
Dividends paid in the financial year	0	-6,300,000
Deposit from charterer	5,000,000	0
CASH FLOWS FROM FINANCING ACTIVITY	**65,881,590**	**-9,110,729**
CHANGE IN CASH AND CASH EQUIVALENTS	**-2,238,283**	**2,281,586**
Cash and cash equivalents at 1. januar	4,128,825	1,847,239
CASH AND CASH EQUIVALENTS AT 31. DECEMBER	**1,890,542**	**4,128,825**
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents	1,890,542	4,128,825
CASH AND CASH EQUIVALENTS	**1,890,542**	**4,128,825**

NOTES

Note

Special items 1

Sale and impairment of Ocean Diamond
Ocean Diamond was put up for sale in 2023 and on 27 February 2024, the vessel was delivered to its new owners. In 2023, the Group decided to impair the vessel by USD 6 million.

Reversal of booked Impairment loss on Ocean Atlantic
On 6 May 2024, the Group entered into a 5-year Bareboat Hire Purchase Agreement on Ocean Atlantic with delivery in October 2024. In 2022 the vessel was impaired by USD 8 million. As a result of the Bareboat Hire Purchase Agreement USD 6.5 million of the impairment was reversed.

NOTES

	Group		Parent Company		
	2023 USD	2022 USD	2023 USD	2022 USD	Note
Staff costs					2
Average number of full time employees	122	642	2	2	
Wages and salaries	7,734,188	19,498,587	0	0	
Pensions	0	23,073	0	0	
Social security costs	16,330	53,725	0	0	
	7,750,518	**19,575,385**	**0**	**0**	

The management have not received remuneration for the year.

	Group		Parent Company		
	2023 USD	2022 USD	2023 USD	2022 USD	Note
Tax on loss for the year					3
Calculated tax on taxable income of the year	0	101,377	0	0	
Adjustment of tax in previous years	0	-46,056	0	-46,056	
	0	**55,321**	**0**	**-46,056**	
Proposed distribution of profit					4
Extraordinary dividend	0	6,300,000	0	6,300,000	
Allocation to reserve for net revaluation under the equity method	0	0	-18,924,052	-8,594,436	
Retained earnings	-20,860,654	-15,833,099	-176,268	-7,238,663	
	-20,860,654	**-9,533,099**	**-19,100,320**	**-9,533,099**	

Intangible assets 5

	Group	
	Goodwill	
Cost at 1 January 2023	216,326	
Cost at 31 December 2023	**216,326**	
Amortisation at 1 January 2023	92,712	
Amortisation for the year	30,904	
Amortisation at 31 December 2023	**123,616**	
Carrying amount at 31 December 2023	**92,710**	

NOTES

Intangible fixed assets (continued) — Note 5

	Parent Company
	Goodwill
Cost at 1 January 2023	216,326
Cost at 31 December 2023	**216,326**
Amortisation at 1 January 2023	92,712
Amortisation for the year	30,904
Amortisation at 31 December 2023	**123,616**
Carrying amount at 31 December 2023	**92,710**

Property, plant and equipment — Note 6

	Group
	Ships
Cost at 1 January 2023	98,937,064
Addition	62,118,828
Cost at 31 December 2023	**161,055,892**
Depreciation and impairment losses at 1 January 2023	63,154,240
Reversal of impairment losses	-6,500,000
Impairment losses	6,000,000
Depreciation for the year	7,525,625
Depreciation and impairment losses at 31 December 2023	**70,179,865**
Carrying amount at 31 December 2023	**90,876,027**
Finance lease assets	60,493,297

NOTES

	Note
Financial non-current assets	**7**

	Parent Company
	Investments in subsidiaries
Cost at 1 January 2023	10,632,983
Additions	10,373,759
Disposals	-27,987
Cost at 31 December 2023	**20,978,755**
Revaluation at 1 January 2023	24,031,766
Profit/loss for the year	-18,924,053
Impairment losses for the year	-4,211,646
Revaluation at 31 December 2023	**896,067**
Carrying amount at 31 December 2023	**21,874,822**

Investments in subsidiaries

Name and domicile	Ownership
Adventurer Partners Ltd., Bahamas	100 %
Endeavour Partners Ltd., Bahamas	100 %
Diamond Partners Ltd., Bahamas	100 %
Ocean Atlantic Partners Ltd., Bahamas	100 %
ATLPRT Atlantic Partners, Unipessoal Lda, Madeira	100 %
Endeavour Partners, Unipessoal Lda, Madeira	100 %
Diamond Cruise Partners, Unipessoal Lda, Madeira	100 %
Adventurer Partners, Unipessoal Lda, Madeira	100 %
OAL Owner, Unipessoal Lda, Madeira	100 %

Prepayments 8

Prepayments include costs incurred relating to the subsequent financial year and deferred revenue relating to contracts.

	Group		Parent Company		Note
	2023 USD	2022 USD	2023 USD	2022 USD	
Receivables falling due after more than one year					9
Deferred Revenue	1,649,856	7,220,748	0	0	
	1,649,856	**7,220,748**	**0**	**0**	

NOTES

Note

Long-term liabilities 10

	Group			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Bank loan	61,623,880	8,621,902	34,339,871	11,961,904
Debt to owners and Management	11,219,614	0	0	0
	72,843,494	**8,621,902**	**34,339,871**	**11,961,904**

	Parent Company			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Debt to owners and Management	4,322,607	0	0	0
	4,322,607	**0**	**0**	**0**

Contingencies etc. 11

Joint liabilities
The Parent serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxes entities and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends form these entities.

Tax payable of the group's jointly taxed income amounts to DKK ('000) 0 at the Balance Sheet date.

Charges and securities 12

Group
The following has been provided as collateral for bank loans with an unpaid balance of USD ('000) 61,624 as of 31 December 2023.

- Mortgage deed registered to the ship owners of Ocean Adventurer, Ocean Endeavour, Ocean Diamond and Ocean Albatros. The book value of the ships amounts to USD ('000) 80,330 as of 31 December 2023.
- Assignment of the insurance amount of the ships.
- Unlimited guarantee by each of the ultimate owners for Ocean Adventurer, Ocean Endeavour and Ocean Diamond.

Parent
- Guarantee issued by the parent in favor of the Lender for a period of at least 12 months installments and interest for Ocean Albatros amounting to USD 6.4 million.

NOTES

Note

Related parties 13

Other related parties having permed transactions with the company
The company's related parties having a significant influence comprise owners, subsidiaries as well as the companies' Board of Directors, Board of Executives and executive officers and their relatives. Related parties include also companies in which the above mentioned group of persons has material interests.

Transactions with related parties
The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

Information on uncertainty with respect to going concern 14
The Group's continued operation is dependent on the outcome of the following uncertain conditions.

Negotiations are ongoing regarding a moratorium on overdue debt to the former charterer of Ocean Atlantic amounting to 4 million USD plus interest. Management expects that an agreement on the moratorium will be reached.

A new charter agreement was entered into in 2024. In connection with this, the charterer was required to pay a deposit of 2.6 million USD, which is due. At present, 600 thousand USD has been paid, and 2 million USD remains outstanding. Management expects the remaining 2 million USD to be paid in July 2024.

In addition to the above uncertainties, the Group's budgets show an uncovered liquidity requirement of 0.7 million USD until the end of August 2024. Management assesses that this liquidity requirement can be covered either by contributions from owners, obtaining interim financing, or by agreeing on a payment deferral with one or more of the Group's creditors.

Based on above, Management believes that the financial statements are appropriately prepared based on the going concern principle.

ACCOUNTING POLICIES

The Annual Report of Danish Cruise Holdings ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium-sized enterprises.

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.

Consolidated Financial Statements

The Consolidated Financial Statements include the Parent Company Danish Cruise Holdings ApS and the subsidiaries in which Danish Cruise Holdings ApS directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the Group structure.

The Consolidated Financial Statements consolidate the Financial Statements of the Parent Company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, intercompany accounts and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

INCOME STATEMENT

Net revenue

Revenue from time charters is recognized in a straight line basis over the duration of the charters, further revenue include fees as a result of lay-up agreements with charterers.

Revenue from hotel concession, purchases on board and the services rendered as acting technical manager is recognized in the income statement, when the delivery and services are provided to the buyer.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

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

Staff costs

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

ACCOUNTING POLICIES

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, financial expenses of finance leases, 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

Intangible fixed assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 7 years. The period of amortisation is determined based on an assessment of the acquired Company's position in the market and earnings profile, and the industry-specific conditions.

Acquired licences are measured at the lower of cost less accumulated amortisation and the recoverable amount. Patents are amortised over the remaining patent period and licences are amortised over the period of the agreement, however, no more than 8 years.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Tangible fixed assets

Ships, 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.

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
Ships	10-25 years	0-2 %
Other plant, fixtures and equipment	4 years	0 %

ACCOUNTING POLICIES

Dry docking expenses are capitalized and depreciated over a period of 30 months.

Ships are written down to the lower of recoverable amount and carrying amount. Estimated useful lives and residual values are reassessed annually.

Ship upgrades are written down to the lower of recoverable amount and carrying amount.

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

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.

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.

Impairment of fixed assets
The carrying amount of intangible fixed and tangible assets, are assessed annually 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 recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

ACCOUNTING POLICIES

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

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.

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.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

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.

ACCOUNTING POLICIES

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.

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.

At recognition of foreign subsidiaries that are not independent entities, but integrated entities, monetary items are translated at the exchange rate on the Balance Sheet date. Non-monetary items are translated at the rate at the date of acquisition or at the date of a subsequent revaluation or writedown of the asset. The items of the Income Statement are translated at the rate on the transaction date, items derived from non-monetary items being translated at the historic rates of the non-monetary item.

CASH FLOW STATEMENT

With reference to Section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.

The cash flow statement shows the Company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:
Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:
Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:
Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:
Cash and cash equivalents include bank overdraft and cash in hand.