

NORDEN SYNERGY Ship Management A/S


Kay Fiskers Plads 10
DK-2300 København S

CVR no. 41 54 81 77

Annual report for the period 1 April 2021 – 31 March 2022

The annual report was presented and approved at the
Company's annual general meeting on

14 October 2022



Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of NORDEN SYNERGY Ship Management A/S for the financial year 1 April 2021 – 31 March 2022.

The annual report has been prepared 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 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 – 31 March 2022.

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


We recommend that the annual report be approved at the annual general meeting.

Copenhagen S, 14 October 2022
Executive Board:



Tommy Thomassen

Board of Directors:



Martin Ackermann
Chairman



Tommy Thomassen



Rajesh Madhavan Unni



Independent auditor's report

To the shareholders of NORDEN SYNERGY Ship Management A/S

Opinion

We have audited the financial statements of NORDEN SYNERGY Ship Management A/S for the financial year 1 April 2021 – 31 March 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 – 31 March 2022 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 (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 responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the Management's review 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review 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's review.

Copenhagen, 14 October 2022

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Klaus Rytz
State Authorised
Public Accountant
mne33205



İnan Dogan
State Authorised
Public Accountant
mne47842

NORDEN SYNERGY Ship Management A/S
Annual report 2021/22
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Management's review

Company details

NORDEN SYNERGY Ship Management A/S
Kay Fiskers Plads 10
2300 København S
Denmark

CVR no.:	41 54 81 77
Established:	28 July 2020
Registered office:	Copenhagen S
Financial year:	1 April – 31 March

Board of Directors

Martin Ackermann, Chairman
Tommy Thomassen
Rajesh Madhavan Unni

Executive Board

Tommy Thomassen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
Denmark
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company's main activities are to conduct ship management services and related activities at the Board's discretion.

Development in activities and financial position

The Company's income statement for 2021/22 shows a loss of USD -385,244 as against USD -48,018 in 2020/21. Equity in the Company's balance sheet at 31 March 2022 stood at USD -367,512 as against USD 17,732 at 31 March 2021.

Going concern and capital resources

Management assesses that the Company will have sufficient funds from capital increases executed after the balance sheet date (refer to events after balance sheet date). Furthermore, the Company has in 2022 received a letter of support from its owners, in case of financial difficulties of the Company, the owners intend to pay all liabilities and expenses as they fall due until 31 March 2023 or until the financial statements for 2022/23 has been filed.

Equity expected to be re-established in 2022 through the capital increase and future gains.

On this basis, Management presents the financial statements for 2021/22 on a going concern assumption.

Events after the balance sheet date

The board meeting conducted on 14 September 2022 consented to transfer of 200,000 shares of the Company's share capital from Dampskibsselskabet NORDEN A/S, company to Synergy Marine Pte. Ltd.

In September 2022, the Company completed a cash capital increase of nominal USD 150,000 shares of USD 1 and raised gross proceeds of USD 149,999.

Financial statements 1 April – 31 March

Income statement

USD	Note	2021/22	28/07 2020- 31/3 2021
Gross profit		154,017	306,674
Staff costs	3	-534,161	-349,019
Depreciation, amortisation and impairment losses		-4,963	-329
Loss before financial income and expenses		-385,107	-42,674
Other financial expenses		-137	-5,344
Loss before tax		-385,244	-48,018
Tax on profit/loss for the year		0	0
Loss for the year		-385,244	-48,018
Proposed distribution of loss			
Retained earnings		-385,244	-48,018

Financial statements 1 April – 31 March

Balance sheet

USD	Note	31/3 2022	31/3 2021
ASSETS			
Fixed assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		<u>12,692</u>	<u>3,758</u>
Investments			
Equity investments in group entities		20,000	20,000
Deposits		<u>8,298</u>	<u>8,298</u>
		<u>28,298</u>	<u>28,298</u>
Total fixed assets		<u>40,990</u>	<u>32,056</u>
Current assets			
Receivables			
Trade receivables		45,847	70,576
Other receivables		6,189	23,709
Prepayments		<u>19,993</u>	<u>5,864</u>
		<u>72,029</u>	<u>100,149</u>
Cash at bank and in hand	4	<u>3,658,562</u>	<u>7,355,366</u>
Total current assets		<u>3,730,591</u>	<u>7,455,515</u>
TOTAL ASSETS		<u><u>3,771,581</u></u>	<u><u>7,487,571</u></u>

Financial statements 1 April – 31 March

Balance sheet

USD	Note	31/3 2022	31/3 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		65,750	65,750
Retained earnings		<u>-433,262</u>	<u>-48,018</u>
Total equity		<u>-367,512</u>	<u>17,732</u>
Liabilities			
Non-current liabilities			
Payables to group entities	5	<u>253,828</u>	<u>0</u>
Current liabilities			
Current portion of non-current liabilities		50,000	0
Trade payables		31,308	28,758
Payables to group entities		321,724	32,835
Payables to participating interests		0	78,369
Other payables	6	<u>3,482,233</u>	<u>7,329,877</u>
		<u>3,885,265</u>	<u>7,469,839</u>
Total liabilities		<u>4,139,093</u>	<u>7,469,839</u>
TOTAL EQUITY AND LIABILITIES		<u><u>3,771,581</u></u>	<u><u>7,487,571</u></u>
Financing and the going concern assumption	2		
Contractual obligations, contingencies, etc.	7		

Financial statements 1 April – 31 March

Statement of changes in equity

USD	Contributed capital	Retained earnings	Total
Equity at 1 April 2021	65,750	-48,018	17,732
Transferred over the profit appropriation / distribution of loss	<u>0</u>	<u>-385,244</u>	<u>-385,244</u>
Equity at 31 March 2022	<u><u>65,750</u></u>	<u><u>-433,262</u></u>	<u><u>-367,512</u></u>

Financial statements 1 April – 31 March

Notes

1 Accounting policies

The annual report of NORDEN SYNERGY Ship Management A/S for 2021/22 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The functional currency of all enterprises in the Norden group is USD, wherefore the financial statements have been presented in USD.

Omission of consolidated financial statements

Pursuant to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and taxes. All discounts granted are recognised in revenue.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Other external costs

Other external costs comprise distribution costs and costs related to sales, administration, office premises, operating leases, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in group entities measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

Financial statements 1 April – 31 March

Notes

1 Accounting policies (continued)

In case of indication of impairment, an impairment test is conducted. Indication of impairment exists if distributed dividends exceeds profit for the year or if the carrying amount of equity investments exceeds the consolidated carrying amounts of the net assets in the subsidiary.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Investments

Equity investments in group entities and participating interests (including associates) are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value. The cost is reduced by dividends received exceeding accumulated earnings after the acquisition date.

Deposits are recognised at amortised cost.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash comprises bank deposits.

Liabilities

Other liabilities are measured at net realisable value.

Financial statements 1 April – 31 March

Notes

2 Financing and the going concern assumption

Management assesses that the Company will have sufficient funds from capital increases executed after the balance sheet date (refer to events after balance sheet date). Furthermore, the Company has in 2022 received a letter of support from its owners, in case of financial difficulties of the Company, the owners intend to pay all liabilities and expenses as they fall due until 31 March 2023 or until the financial statements for 2022/23 has been filed.

On this basis, Management presents the financial statements for 2021/22 on a going concern assumption.

3 Staff costs

Average number of full-time employees	4	2
	<u> </u>	<u> </u>

4 Cash at bank and in hand

Cash at bank and in hand includes USD 3,409 thousand cash held on behalf of Norden Asset Management A/S and Hafnia Tankers Singapore Sub-Holding Pte. Ltd.

5 Non-current liabilities

USD	<u>31/3 2022</u>	<u>Repayment, first year</u>	<u>Outstanding debt after five years</u>
Loan to group entities	253,828	50,000	0
	<u>253,828</u>	<u>50,000</u>	<u>0</u>

6 Other Payables

Other payables includes USD 3,409 thousand cash held on behalf of Norden Asset Management A/S and Hafnia Tankers Singapore Sub-Holding Pte. Ltd.

7 Contractual obligations, contingencies, etc.

Rental obligations

The Company has entered into rental agreements. Rental obligations amounted to USD 21 thousand.