# *TriKap A/S*

Nyhavn 47, 2, DK-1051 København K

# Annual Report for 1 January - 31 December 2022

CVR No 41 85 33 36

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 4 /4 2023

Renè Breyen-Mikkelsen
Chairman of the General Meeting

# Contents

# Management’s Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of TriKap A/S for the financial year 1 January - 31 December 2022.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hellerup, 4 April 2023

**Executive Board**

Renè Breyen-Mikkelsen

**Board of Directors**

| | | |
|---|---|---|
| Marc Lyngaae Slinger | Uffe Eckardt Hansen | Renè Breyen-Mikkelsen |

# Independent Auditor's Report

To the Shareholders of TriKap A/S

**Opinion**
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of TriKap A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 Group 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.

**Statement on Management's Review**
Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

# Independent Auditor's Report

**Management's responsibilities for the Financial Statements**
Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and 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 Group or the Company or to cease operations, or has no realistic alternative but to do so.

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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 Company's and the Group'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 Group's and 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

# Independent Auditor's Report

audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and 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.

- 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.

Odense, 4 April 2023
**PricewaterhouseCoopers**
Statsautoriseret Revisionspartnerselskab
*CVR No 33 77 12 31*

| | |
|---|---|
| Line Hedam<br>State Authorised Public Accountant<br>mne27768 | Claus Damhave<br>State Authorised Public Accountant<br>mne34166 |

# Company Information

| | |
|---|---|
| **The Company** | TriKap A/S<br>Nyhavn 47, 2<br>DK-1051 København K<br><br>CVR No: 41 85 33 36<br>Financial period: 1 January - 31 December<br>Municipality of reg. office: København |
| **Board of Directors** | Marc Lyngaae Slinger<br>Uffe Eckardt Hansen<br>Renè Breyen-Mikkelsen |
| **Executive Board** | Renè Breyen-Mikkelsen |
| **Auditors** | PricewaterhouseCoopers<br>Statsautoriseret Revisionspartnerselskab<br>Munkebjergvænget 1, 3. og 4. sal<br>DK-5230 Odense M |

# Financial Highlights

Seen over a two-year period, the development of the Group is described by the following financial highlights:

| | Group | |
|---|---|---|
| | 2022 | 2020/21 |
| | USD'000 | USD'000 |
| **Key figures** | | |
| **Profit/loss** | | |
| Revenue | 269,642 | 262,206 |
| Operating profit/loss | 15,945 | 22,678 |
| Profit/loss before financial income and expenses | 16,242 | 24,474 |
| Net financials | -831 | 328 |
| Net profit/loss for the year | 12,973 | 20,136 |
| **Balance sheet** | | |
| Balance sheet total | 36,980 | 41,008 |
| Equity | 18,392 | 20,699 |
| **Cash flows** | | |
| Cash flows from: | | |
| - operating activities | 20,440 | 11,745 |
| - investing activities | 0 | -1,599 |
| - financing activities | -15,682 | 7,739 |
| Change in cash and cash equivalents for the year | 4,758 | 17,885 |
| Number of employees | 18 | 16 |
| **Ratios** | | |
| Gross margin | 7.7% | 11.3% |
| Profit margin | 6.0% | 9.3% |
| Return on assets | 43.9% | 59.7% |
| Solvency ratio | 49.7% | 50.5% |
| Return on equity | 66.4% | 194.6% |

# Management's Review

**Key activities**

The Group is an international operator of modern/eco dry bulk carriers within the Handysize and Supramax segments. The Group is operating worldwide but with a focus on the Atlantic basin. The company is operating in the spot market as well as the contract market with a preference towards short term contracts.

**Development in the year**

The income statement of the Group for 2022 shows a profit of USD'000 12,973, and at 31 December 2022 the balance sheet of the Group shows equity of USD'000 18,392.

2022 was another profitable year for The Group. The Group continues to maintain and develop its global presence through its subsidiaries and branches.

**Outlook**

The Group expects a profitable year with the adaptable business model in volatile market conditions. Investments in operating systems and risk management measures will continue in 2023. The result for 2023 is expected to be between USD'000 2,000-6,000.

***Foreign branches***

The Group has a branch in Norway, subsidiaries in Switzerland, Chile and Cyprus, and business partnerships in Greece and the USA.

***Operational risk***

The Group´s operational risks primarily relate to the vessels operated and cargo carried. The company is insured against potential environmental accidents as well as following IMO and underwrites recommendations when it comes to risk of piracy.

Our IT platform is continuously monitored, and best practices applied for security. External recurrent backups are in place together with recover plans, which can be restored with minimum data loss and minimum operational downtime.

***Currency risk***

The Group predominantly operates with USD cash flow as freight and hire revenue are mainly in USD as well as hire and bunker cost. Foreign currency exposure is partly hedged using FX swaps especially concerning our global subsidiaries and branches.

# Management's Review

***Credit and Compliance risk***

Credit and Compliance risk is mitigated using a mixture of credit risk agencies, compliance screening companies and counterparties fixture history and industry references.

***Liquidity risks***

The Group continually monitors the cash balance and future cash flow and ensures that adequate liquidity is always available not only to meet current obligations but also to allow engagement in new commercial opportunities.

**External environment**

The Group continues its commitment to emission reduction through IMO.

**Statement of corporate social responsibility**

Human rights and labour

The Group is committed to running the company in a responsible manner according to local and internationally approved conventions within labour and human rights. The company is likewise committed to providing a safe and healthy work environment for all our employees. The company does not employ crew onboard vessels, but only ashore, with the current business model, so the risk for the company in terms of human rights and labour is considered limited and isolated to its global offices. The company has an ESG and code of conduct policy in place that covers human rights and labour, which is distributed to all new employees. The policy defines the company's support and respect for the protection of internationally proclaimed human rights to make sure that businesses are not complicit in human rights abuse (United Nations Universal Declaration of Human rights, 1948). It furthermore defines the company's support to uphold the freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced and compulsory labour, effective abolition of child labour, elimination of discrimination in respect of employment and occupation (ILO Declaration on fundamental Principles and Rights at Work and its follow-up (International Labour Conference, 18 June 1998)). There were no reports of policy non-compliance incidents in 2022. The company will continue to monitor the policy for suitability, adequacy, and effectiveness on a regular basis and educate current and new employees as needed.

Anti-bribery and anti-corruption
The Group is committed to conducting business in an ethical and honest manner and is committed to implementing and enforcing systems that ensure bribery is prevented. The company has an anti-bribery and anti-corruption policy in place that sets out the responsibilities of every The Group employees in regard to observing and upholding our zero-tolerance position on bribery and corruption. The policy is distributed to all new employees and the policy is monitored for suitability, adequacy, and effectiveness on a regular basis. There were no reports of policy non-compliance incidents in 2022.
The company was again TRACE certified in 2022, which is a globally recognised anti-bribery, compliance,

# Management’s Review

and good governance association.
The company remains committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the world it operates.

Environment
The Group is committed to running according to local and internationally approved conventions within the environmental legislation and regulations in a responsible manner. The company takes a precautionary approach to environmental challenges through environmentally sustainable business procedures and technologies. The company’s main risk, related to the environment, is the fuel consumption of the vessels where consumption optimisation is constantly being analysed to ensure minimum fuel consumption as well as low sulphur regulations are being adhered to. The company will continue its commitment to emission reduction through IMO.The company has an ESG and code of conduct policy in place that covers environmental responsibilities, which is distributed to all new employees. The policy defines the company’s support for a precautionary approach to environmental challenges to undertake initiatives promoting greater environmental responsibility to encourage the development and diffusion of environmentally friendly technologies (Agenda 21, UNCED, Rio 1992). There were no reports of policy non-compliance incidents in 2022. The company will continue to monitor the policy for suitability, adequacy, and effectiveness on a regular basis and educate current and new employees as needed.

**Statement on gender composition**

The Group A/S is a diverse workplace with multinational and mixed gender teams currently consisting of one-third women and two-third men. To provide a healthy work environment, the company strives to eliminate any kind of discrimination and encourage varied teams both culturally, nationally and gender-wise.

The Board of directors

The company has five board members elected. At the end of 2022, the were no female board members. As and when the Board nominates new candidates, the Board will include gender as a parameter. When appointing candidates to the Board, it is however important that the members hold professional qualifications relevant to the company's activities. Finding the member with the right qualifications will always supersede gender.
There were no changes to the elected board members in 2022, but the company's ambition is to have at least one-sixth share of women in the board by 2027.

Other management levels

The company employs less than fifty employees and are therefore not required to have a gender composition policy for other management levels.

***Data Ethics***

The Group has evaluated if it is relevant to prepare a policy for data ethics. Considering that the company does not deal with personal data for commercial purpose and therefore are limited in the data collection and processing, the company has decided not to prepare a data ethics policy. However, The Group, is committed to uphold The General Data Protection Regulation (GDPR) and although there are no written policies for data ethics, all information from external parties and employees are treated responsibly and securely preventing unauthorized access.

### Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

### Unusual events

The financial position at 31 December 2022 of the Group and the results of the activities and cash flows of the Group for the financial year for 2022 have not been affected by any unusual events.

### Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

# Income Statement 1 January - 31 December

| | Note | Group 2022 | Group 2020/21 | Parent 2022 | Parent 2020/21 |
|---|---|---|---|---|---|
| | | USD'000 | USD'000 | USD'000 | USD'000 |
| **Revenue** | 1 | **269,642** | **262,206** | **0** | **0** |
| Other operating income | | 0 | 1,796 | 0 | 0 |
| Other external expenses | | -248,754 | -234,408 | -3 | -2 |
| **Gross profit/loss** | | **20,888** | **29,594** | **-3** | **-2** |
| Staff expenses | 2 | -4,943 | -5,120 | 0 | 0 |
| Other operating expenses | | 297 | 0 | 0 | 0 |
| **Profit/loss before financial income and expenses** | | **16,242** | **24,474** | **-3** | **-2** |
| Income from investments in subsidiaries | | 0 | 0 | 10,449 | 16,108 |
| Financial income | 3 | 424 | 785 | 5 | 8 |
| Financial expenses | 4 | -1,255 | -457 | -12 | -5 |
| **Profit/loss before tax** | | **15,411** | **24,802** | **10,439** | **16,109** |
| Tax on profit/loss for the year | 5 | -2,438 | -4,666 | 1 | 0 |
| **Net profit/loss for the year** | | **12,973** | **20,136** | **10,440** | **16,109** |

# Balance Sheet 31 December

## Assets

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | Note | 2022 | 2021 | 2022 | 2021 |
| | | USD'000 | USD'000 | USD'000 | USD'000 |
| Investments in subsidiaries | 6 | 0 | 0 | 15,622 | 17,781 |
| **Fixed asset investments** | | **0** | **0** | **15,622** | **17,781** |
| **Fixed assets** | | **0** | **0** | **15,622** | **17,781** |
| **Inventories** | | **1,399** | **3,819** | **0** | **0** |
| Trade receivables | | 7,244 | 8,732 | 0 | 0 |
| Other receivables | 12 | 322 | 120 | 300 | 0 |
| Deferred tax asset | 9 | 44 | 44 | 0 | 0 |
| Corporation tax | | 0 | 585 | 0 | 585 |
| Corporation tax receivable from group enterprises | | 0 | 0 | 1 | 0 |
| Prepayments | 7 | 5,328 | 9,823 | 0 | 0 |
| **Receivables** | | **12,938** | **19,304** | **301** | **585** |
| **Cash at bank and in hand** | | **22,643** | **17,885** | **72** | **7** |
| **Currents assets** | | **36,980** | **41,008** | **373** | **592** |
| **Assets** | | **36,980** | **41,008** | **15,995** | **18,373** |

# Balance Sheet 31 December

## Liabilities and equity

| | Note | Group 2022 | Group 2021 | Parent 2022 | Parent 2021 |
|---|---|---|---|---|---|
| | | USD'000 | USD'000 | USD'000 | USD'000 |
| Share capital | | 71 | 71 | 71 | 71 |
| Reserve for net revaluation under the equity method | | 0 | 0 | 7,123 | 16,182 |
| Reserve for hedging transactions | | -234 | 74 | 0 | 0 |
| Retained earnings | | 8,649 | 7,409 | 1,292 | 1 |
| Proposed dividend for the year | | 6,000 | 8,700 | 6,000 | 0 |
| **Equity attributable to shareholders of the Parent Company** | | **14,486** | **16,254** | **14,486** | **16,254** |
| Minority interests | | 3,906 | 4,445 | 0 | 0 |
| **Equity** | | **18,392** | **20,699** | **14,486** | **16,254** |
| Other provisions | 10 | 1,115 | 0 | 0 | 0 |
| **Provisions** | | **1,115** | **0** | **0** | **0** |
| Other payables | | 0 | 886 | 0 | 750 |
| **Long-term debt** | 11 | **0** | **886** | **0** | **750** |
| Trade payables | | 4,128 | 5,118 | 0 | 0 |
| Payables to group enterprises | | 0 | 32 | 750 | 617 |
| Corporation tax | | 7 | 7 | 7 | 0 |
| Other payables | 11,12 | 8,586 | 8,051 | 752 | 752 |
| Deferred income | 13 | 4,752 | 6,215 | 0 | 0 |
| **Short-term debt** | | **17,473** | **19,423** | **1,509** | **1,369** |
| **Debt** | | **17,473** | **20,309** | **1,509** | **2,119** |
| **Liabilities and equity** | | **36,980** | **41,008** | **15,995** | **18,373** |

| | |
|---|---|
| Distribution of profit | 8 |
| Contingent assets, liabilities and other financial obligations | 16 |
| Related parties | 17 |
| Subsequent events | 18 |
| Accounting Policies | 20 |
| Fee to auditors appointed at the general meeting | 19 |

# Statement of Changes in Equity

## Group

| | Share capital | Reserve for net revaluation under the equity method | Reserve for hedging transactions | Retained earnings | Proposed dividend for the year | Equity excl. minority interests | Minority interests | Total |
|---|---|---|---|---|---|---|---|---|
| | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 |
| Equity at 1 January | 71 | 0 | 74 | 16,109 | 0 | 16,254 | 4,445 | 20,699 |
| Exchange adjustments | 0 | 0 | 0 | 5 | 0 | 5 | 1 | 6 |
| Ordinary dividend paid | 0 | 0 | 0 | 0 | 0 | 0 | -2,200 | -2,200 |
| Extraordinary dividend paid | 0 | 0 | 0 | -11,900 | 0 | -11,900 | -800 | -12,700 |
| Fair value adjustment of hedging instruments, beginning of year | 0 | 0 | -95 | 0 | 0 | -95 | -23 | -118 |
| Fair value adjustment of hedging instruments, end of year | 0 | 0 | -301 | 0 | 0 | -301 | -76 | -377 |
| Tax on adjustment of hedging instruments for the year | 0 | 0 | 88 | 0 | 0 | 88 | 21 | 109 |
| Net profit/loss for the year | 0 | 0 | 0 | 4,435 | 6,000 | 10,435 | 2,538 | 12,973 |
| **Equity at 31 December** | **71** | **0** | **-234** | **8,649** | **6,000** | **14,486** | **3,906** | **18,392** |

# Statement of Changes in Equity

## Parent

| | Share capital | Reserve for net revaluation under the equity method | Reserve for hedging transactions | Retained earnings | Proposed dividend for the year | Equity excl. minority interests | Minority interests | Total |
|---|---|---|---|---|---|---|---|---|
| | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 | USD'000 |
| Equity at 1 January | 71 | 16,182 | 0 | 1 | 0 | 16,254 | 0 | 16,254 |
| Extraordinary dividend paid | 0 | 0 | 0 | -11,900 | 0 | -11,900 | 0 | -11,900 |
| Dividend from group enterprises | 0 | -19,200 | 0 | 19,200 | 0 | 0 | 0 | 0 |
| Fair value adjustment of hedging instruments, beginning of year | 0 | -95 | 0 | 0 | 0 | -95 | 0 | -95 |
| Fair value adjustment of hedging instruments, end of year | 0 | -301 | 0 | 0 | 0 | -301 | 0 | -301 |
| Tax on adjustment of hedging instruments for the year | 0 | 88 | 0 | 0 | 0 | 88 | 0 | 88 |
| Net profit/loss for the year | 0 | 10,449 | 0 | -6,009 | 6,000 | 10,440 | 0 | 10,440 |
| **Equity at 31 December** | **71** | **7,123** | **0** | **1,292** | **6,000** | **14,486** | **0** | **14,486** |

# Cash Flow Statement 1 January - 31 December

| | Note | Group 2022 | Group 2020/21 |
|---|---|---|---|
| | | USD'000 | USD'000 |
| Net profit/loss for the year | | 12,973 | 20,136 |
| Adjustments | 14 | 3,269 | 2,542 |
| Change in working capital | 15 | 6,767 | -4,621 |
| **Cash flows from operating activities before financial income and expenses** | | **23,009** | **18,057** |
| Financial income | | 423 | 785 |
| Financial expenses | | -1,248 | -455 |
| **Cash flows from ordinary activities** | | **22,184** | **18,387** |
| Corporation tax paid | | -1,744 | -6,642 |
| **Cash flows from operating activities** | | **20,440** | **11,745** |
| Fixed asset investments made etc | | 0 | 1 |
| Business acquisition | | 0 | -1,600 |
| **Cash flows from investing activities** | | **0** | **-1,599** |
| Repayment of payables to group enterprises | | -32 | 32 |
| Repayment of other long-term debt | | -750 | -1,250 |
| Cash capital increase | | 0 | 1,071 |
| Dividend paid | | -14,900 | 0 |
| Cash from business acquisition | | 0 | 7,886 |
| **Cash flows from financing activities** | | **-15,682** | **7,739** |
| **Change in cash and cash equivalents** | | **4,758** | **17,885** |
| Cash and cash equivalents at 1 January | | 17,885 | 0 |
| **Cash and cash equivalents at 31 December** | | **22,643** | **17,885** |
| Cash and cash equivalents are specified as follows: | | | |
| Cash at bank and in hand | | 22,643 | 17,885 |
| **Cash and cash equivalents at 31 December** | | **22,643** | **17,885** |

# Notes to the Financial Statements

| | | Group | | Parent | |
|---|---|---|---|---|---|
| | | 2022 | 2020/21 | 2022 | 2020/21 |
| | | USD'000 | USD'000 | USD'000 | USD'000 |
| 1 | **Revenue** | | | | |
| | **Geographical segments** | | | | |
| | Revenue, Globally | 269,642 | 262,206 | 0 | 0 |
| | | **269,642** | **262,206** | **0** | **0** |
| 2 | **Staff expenses** | | | | |
| | Wages and salaries | 4,820 | 4,952 | 0 | 0 |
| | Pensions | 81 | 79 | 0 | 0 |
| | Other social security expenses | 34 | 71 | 0 | 0 |
| | Other staff expenses | 8 | 18 | 0 | 0 |
| | | **4,943** | **5,120** | **0** | **0** |
| | **Including remuneration to the Executive Board and Board of Directors** | **268** | **289** | **0** | **0** |
| | **Average number of employees** | **18** | **16** | **0** | **0** |
| 3 | **Financial income** | | | | |
| | Other financial income | 192 | 0 | 1 | 0 |
| | Exchange gains | 232 | 785 | 4 | 8 |
| | | **424** | **785** | **5** | **8** |
| 4 | **Financial expenses** | | | | |
| | Other financial expenses | 87 | 141 | 2 | 0 |
| | Exchange loss | 1,168 | 316 | 10 | 5 |
| | | **1,255** | **457** | **12** | **5** |

# Notes to the Financial Statements

## 5 Tax on profit/loss for the year

| | Group | | Parent | |
|---|---|---|---|---|
| | 2022 | 2020/21 | 2022 | 2020/21 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| Current tax for the year | 2,652 | 4,751 | -1 | 0 |
| Adjustment of tax concerning previous years | -323 | 0 | 0 | 0 |
| Adjustment of deferred tax concerning previous years | 0 | -59 | 0 | 0 |
| | **2,329** | **4,692** | **-1** | **0** |
| which breaks down as follows: | | | | |
| Tax on profit/loss for the year | 2,438 | 4,666 | -1 | 0 |
| Tax on changes in equity | -109 | 26 | 0 | 0 |
| | **2,329** | **4,692** | **-1** | **0** |

## 6 Investments in subsidiaries

| | Parent | |
|---|---|---|
| | 2022 | 2021 |
| | USD'000 | USD'000 |
| Cost at 1 January | 1,600 | 0 |
| Additions for the year | 0 | 1,600 |
| Disposals for the year | -300 | 0 |
| Cost at 31 December | 1,300 | 1,600 |
| Value adjustments at 1 January | 16,182 | 0 |
| Net profit/loss for the year | 10,152 | 14,264 |
| Dividend to the Parent Company | -12,000 | 0 |
| Other equity movements, net | -309 | 74 |
| Other adjustments | 297 | 1,843 |
| Value adjustments at 31 December | 14,322 | 16,181 |
| **Carrying amount at 31 December** | **15,622** | **17,781** |

# Notes to the Financial Statements

## 6 Investments in subsidiaries (continued)

Investments in subsidiaries are specified as follows:

| Name | Place of registered office | Votes and ownership |
|---|---|---|
| Trithorn Bulk A/S | København K | 80% |
| Trithorn Bulk Chile SpA | Santiago, Chile | 80% |
| Trithorn Bulk Switzerland Sárl | Bulle, Switzerland | 80% |
| Trithorn Bulk Ltd | Larnaka, Cyprus | 80% |

## 7 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions, time-charter hire.

## 8 Distribution of profit

| | Group | | Parent | |
|---|---|---|---|---|
| | 2022 | 2020/21 | 2022 | 2020/21 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| Extraordinary dividend paid | 11,900 | 0 | 11,900 | 0 |
| Proposed dividend for the year | 6,000 | 0 | 6,000 | 0 |
| Reserve for net revaluation under the equity method | 0 | 0 | 10,449 | 16,108 |
| Minority interests' share of net profit/loss of subsidiaries | 2,538 | 4,027 | 0 | 0 |
| Retained earnings | -7,465 | 16,109 | -17,909 | 1 |
| | **12,973** | **20,136** | **10,440** | **16,109** |

# Notes to the Financial Statements

| | Group | | Parent | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| **9 Deferred tax asset** | | | | |
| Tax loss carry-forward | -44 | -44 | 0 | 0 |
| Transferred to deferred tax asset | 44 | 44 | 0 | 0 |
| | **0** | **0** | **0** | **0** |
| **Deferred tax asset** | | | | |
| Calculated tax asset | 44 | 44 | 0 | 0 |
| **Carrying amount** | **44** | **44** | **0** | **0** |

Deferred tax asset consists of temporary differences between carrying amount and tax value on trade receivables.

## 10 Other provisions

| | | | | |
|---|---|---|---|---|
| Provision for future loss on voyages | 1,115 | 0 | 0 | 0 |
| | **1,115** | **0** | **0** | **0** |

# Notes to the Financial Statements

## 11 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

| | Group | | Parent | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| **Other payables** | | | | |
| Between 1 and 5 years | 0 | 886 | 0 | 750 |
| Long-term part | 0 | 886 | 0 | 750 |
| Other short-term payables | 8,582 | 8,051 | 752 | 746 |
| | **8,582** | **8,937** | **752** | **1,496** |

## 12 Derivative financial instruments

Derivative financial instruments contracts in the form of forward exchange contracts have been concluded. At the balance sheet date, the fair value of derivative financial instruments amounts to:

| | | | | |
|---|---|---|---|---|
| Assets | 0 | 118 | 0 | 0 |
| Liabilities | 377 | 0 | 0 | 0 |

Forward exchange contracts have been concluded to hedge future cost of bunker at a fixed price. At the balancesheet date, the fair value of the forward exchange contracts amounts to USD 377k.

## 13 Deferred income

Deferred income consists of ongoing voyages at 31. December.

# Notes to the Financial Statements

## 14 Cash flow statement - adjustments

| | Group 2022 USD'000 | Group 2020/21 USD'000 |
|---|---|---|
| Financial income | -424 | -785 |
| Financial expenses | 1,255 | 457 |
| Tax on profit/loss for the year | 2,438 | 4,666 |
| Other non cash adjustments | 0 | -1,796 |
| | **3,269** | **2,542** |

## 15 Cash flow statement - change in working capital

| | Group 2022 USD'000 | Group 2020/21 USD'000 |
|---|---|---|
| Change in inventories | 2,420 | -1,774 |
| Change in receivables | 5,780 | -9,729 |
| Change in other provisions | 1,115 | 0 |
| Change in trade payables, etc | -2,053 | 6,764 |
| Fair value adjustments of hedging instruments | -495 | 118 |
| | **6,767** | **-4,621** |

## 16 Contingent assets, liabilities and other financial obligations

**Rental and lease obligations**

| | Group | | Parent | |
|---|---|---|---|---|
| | 2022 USD'000 | 2021 USD'000 | 2022 USD'000 | 2021 USD'000 |
| Lease obligations under operating leases. Total future lease payments: | | | | |
| Within 1 year | 25,837 | 30,855 | 0 | 0 |
| Between 1 and 5 years | 0 | 5,298 | 0 | 0 |
| | **25,837** | **36,153** | **0** | **0** |

# Notes to the Financial Statements

## 16 Contingent assets, liabilities and other financial obligations (continued)

**Other contingent liabilities**

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to USD'000 0. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 17 Related parties

| | Basis |
|---|---|
| **Other related parties** | |
| RMI Invest ApS | Owner |
| Gruppetto Sárl | Owner |
| Sandy Shores AS | Owner |

**Transactions**

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

There have been no such transactions.

## 18 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

# Notes to the Financial Statements

| | Group | | Parent | |
|---|---|---|---|---|
| | 2022 | 2020/21 | 2022 | 2020/21 |
| | USD'000 | USD'000 | USD'000 | USD'000 |
| **19 Fee to auditors appointed at the general meeting** | | | | |
| **PricewaterhouseCoopers** | | | | |
| Audit fee | 23 | 20 | 3 | 2 |
| Other assurance engagements | 3 | 3 | 1 | 1 |
| Tax advisory services | 9 | 9 | 0 | 0 |
| | **35** | **32** | **4** | **3** |

# Notes to the Financial Statements

**20 Accounting Policies**

The Annual Report of TriKap A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The Consolidated and Parent Company Financial Statements for 2022 are presented in USD'000.

**Recognition and measurement**

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

**Basis of consolidation**

The Consolidated Financial Statements comprise the Parent Company, TriKap A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

**Business combinations**

***Business acquisitions carried through on or after 1 July 2018***

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Amortisation of goodwill is allocated in the Consolidated Financial Statements to the operations to which goodwill is related. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

### Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

#### *Business acquisitions carried through on or after 1 July 2018*

Minority interests are initially measured at their proportionate share of the fair value of the acquired entity's identifiable net assets. In this way, only goodwill related to the Parent Company's share of the entity acquired is recognised.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consi-

# Notes to the Financial Statements

**20 Accounting Policies** (continued)

deration is recognised directly in equity.

**Leases**

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

**Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

**Derivative financial instruments**

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

**Hedge accounting**

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement

# Notes to the Financial Statements

**20 Accounting Policies** (continued)

in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

**Revenue**

Information on geographical segments based on the Group´s risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

# Income Statement

**Revenue**

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods 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 Group.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

**Other external expenses**

Other external expenses comprise time charter hire, bunker, premises, sales and distribution as well as office expenses, etc.

**Staff expenses**

Staff expenses comprise wages and salaries as well as payroll expenses.

**Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Groupincluding badwill.

# Notes to the Financial Statements

**20 Accounting Policies** (continued)

### Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance Sheet

### Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item"Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at USD 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

### Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable

# Notes to the Financial Statements

**20 Accounting Policies** (continued)

value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of raw materials and consumables equals landed cost.

**Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

**Prepayments**

Prepayments comprise prepaid expenses concerning time charter hire, insurance premiums and subscriptions.

**Equity**

***Dividend***

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

**Provisions**

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

**Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

# Notes to the Financial Statements

**20 Accounting Policies** (continued)

**Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

**Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.

**Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.

# Cash Flow Statement

The cash flow statement shows the Group´s cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group´s cash and cash equivalents at the beginning and end of the year.

**Cash flows from operating activities**

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

**Cash flows from investing activities**

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

**Cash flows from financing activities**

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

**Cash and cash equivalents**

Cash and cash equivalents comprise ”Cash at bank and in hand”.

The cash flow statement cannot be immediately derived from the published financial records.

# Notes to the Financial Statements

**20 Accounting Policies** (continued)

## Financial Highlights

**Explanation of financial ratios**

| | |
|---|---|
| Gross margin | $\frac{\text{Gross profit x 100}}{\text{Revenue}}$ |
| Profit margin | $\frac{\text{Profit before financials x 100}}{\text{Revenue}}$ |
| Return on assets | $\frac{\text{Profit before financials x 100}}{\text{Total assets}}$ |
| Solvency ratio | $\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$ |
| Return on equity | $\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$ |