

REVISIONS FIRMAET EDELBO

STATSAUTORISERET
REVISIONSPARTNERSELSKAB

Ocean7 Heavy Lifts ApS

Vendersgade 50
7000 Fredericia

CVR No. 41919973

Annual Report for the financial year 1 January 2023 - 31 December 2023

The Annual Report was presented and adopted at
the Annual General Meeting of the company
on 4 June 2024

Martin Erik Spanggaard
Chairman



KOGTVEDLUND

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Management's Statement

Today, Management has considered and adopted the Annual Report of Ocean7 Heavy Lifts ApS for the financial year 1 January 2023 - 31 December 2023.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the 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.

Fredericia, 4 June 2024

Executive Board

Stefan Nordby Petersen
Manager

Independent Auditors' Report

To the shareholders of Ocean7 Heavy Lifts ApS

Opinion

We have audited the financial statements of Ocean7 Heavy Lifts ApS for the financial year 1 January 2023 - 31 December 2023, which comprise an income statement, balance sheet, statement of changes in equity and notes. 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 financial position at 31 December 2023 and of the results of its operations for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility 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 (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

Independent Auditors' Report

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- *Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 internal control.
- *Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- *Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- *Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Independent Auditors' Report

Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Svendborg, 4 June 2024

Revisionsfirmaet Edelbo

Statsautoriseret Revisionspartnerselskab

CVR-no. 35486178

Morten Troels Pedersen

State Authorised Public Accountant

mne31470

Company details

Company	Ocean7 Heavy Lifts ApS Vendersgade 50 7000 Fredericia
CVR No.	41919973
Date of formation	28 October 2020
Registered office	Fredericia
Financial year	1 January 2023 - 31 December 2023
Executive Board	Stefan Nordby Petersen, Manager
Auditors	Revisionsfirmaet Edelbo Statsautoriseret Revisionspartnerselskab Kogtvedparken 17 "Kogtvedlund" 5700 Svendborg CVR-no.: 35486178
Contacts	Morten Troels Pedersen, State Authorised Public Accountant Martin Bylov Nørregaard

Management's Review

The Company's principal activities

The Company's principal activities consist in international brokerage services in respect of freight transport by ships and other related activities.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of USD 1.960.268 and the Balance Sheet at 31 December 2023 a balance sheet total of USD 3.393.595 and an equity of USD 2.274.620.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting Class

The Annual Report of Ocean7 Heavy Lifts ApS for the financial year 1 January 2023 - 31 December 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B. In addition, the company has decided to follow specific rules applying to enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Financial Statements is presented in US Dollars with exchange rate 674,47 at 31 December 2023 (31 December 2022, USD 697,22).

Translation policies

Transactions in foreign currencies are translated into USD at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into USD based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Revenue

Revenue from sales (chartering income) is recognized in the income statement at the rate of completion of the charter (discharge to discharge principle). This method is applied when total revenues and expenses in respect of the charter at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company.

Raw materials and consumables

Costs for raw materials and consumables comprise vessel operating cost relating to the Company's ordinary activities, including expenses to achieve the revenue for the year such as TC-hire, port and Bunker cost.

Other external expenses

Other external expenses comprise expenses regarding sale, distribution and administration.

Income from equity investments in associates

Income from equity investments comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortisation of consolidated goodwill.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity. The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance Sheet

Equity investments in associates

Equity investments in associates are measured by the equity method at the proportionately owned share of the equity of the enterprises plus any consolidated goodwill, less intercompany profit and negative goodwill. Enterprises with negative equity are measured at 0 as the negative value corresponding to the proportionate share is offset against receivables, if any. Amounts beyond this are recognised in the provisions item, if there is a legal or actual obligation to cover the negative balance.

Accounting Policies

Impairment test

Management monitors continuously the carrying value of non current financial assets in order to determine, whether there are any indications of impairment.

An impairment test is conducted if there is an indication that the carrying amount of an asset exceeds the expected future cash flows from the asset. If the carrying amount exceeds the recoverable amount, the asset is written down to the lower recoverable amount. The recoverable amount of the asset is determined as the higher of the net selling price and the value-in-use.

Reversal of previous impairments is only recognised if there has been a change in the assumptions used to determine the recoverable amount since the last impairment test was carried out.

Inventories

Inventories are measured at cost on the basis of the FIFO principle or at the net realisable value if the latter is lower.

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

The cost of goods for resale equals landed costs.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

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

Financial liabilities

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

Lease commitments

All leases including chartering of vessels is listed as operating leases. Lease payments on operating leases are recognised in the income statement on a straight line basis over the time of the lease.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Accruals and deferred income, equity and liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2023 USD	2022 USD
Gross profit		1.242.382	3.181.695
Profit from ordinary operating activities		1.242.382	3.181.695
Income from investments in associates		1.069.781	149.679
Other finance income from group enterprises		103.967	0
Other finance income		63.749	13.192
Finance expenses	1	-268.448	-55.985
Profit from ordinary activities before tax		2.211.431	3.288.581
Tax expense on ordinary activities		-251.163	-690.558
Profit		1.960.268	2.598.023
Proposed distribution of results			
Proposed dividend recognised in equity		800.000	1.400.000
Reserve for net revaluation according to equity method		1.069.781	0
Retained earnings		90.487	1.198.023
Distribution of profit		1.960.268	2.598.023

Balance Sheet as of 31 December

	Note	2023 USD	2022 USD
Assets			
Long-term investments in associates	2	1.558.967	394.664
Investments		1.558.967	394.664
Fixed assets			
Bunker		211.199	334.619
Inventories		211.199	334.619
Short-term trade receivables		0	532.000
Short-term receivables from group enterprises		141.441	0
Short-term tax receivables from group enterprises		0	43.788
Other short-term receivables		72.428	3.527
Accruals and deferred income	3	265.067	1.229.997
Receivables		478.936	1.809.312
Cash and cash equivalents		1.144.493	1.596.488
Current assets		1.834.628	3.740.419
Assets		3.393.595	4.135.083

Balance Sheet as of 31 December

	Note	2023 USD	2022 USD
Liabilities and equity			
Contributed capital		8.254	8.254
Reserve for net revaluation according to equity method		1.321.203	156.900
Retained earnings		145.163	54.676
Proposed dividend recognised in equity		800.000	1.400.000
Equity		2.274.620	1.619.830
Trade payables		166.413	598.754
Payables to group enterprises		140.100	175.326
Tax payables to group enterprises		251.163	0
Other payables		154.177	504.426
Deferred income, liabilities	4	407.122	1.236.747
Short-term liabilities other than provisions		1.118.975	2.515.253
Liabilities other than provisions		1.118.975	2.515.253
Liabilities and equity		3.393.595	4.135.083
Contingent liabilities	5		
Collaterals and assets pledges as security	6		
Employee relations	7		

Statement of changes in Equity

	Contributed capital	Retained earnings	Reserve for net reval- uation ac- cording to equity method	Proposed dividend recognised in equity	Total
Equity 1 January 2023	8.254	54.676	156.900	1.400.000	1.619.830
Dividend paid	0	0	0	-1.400.000	-1.400.000
Other adjustments of equity	0	0	94.522	0	94.522
Profit (loss)	0	90.487	1.069.781	800.000	1.960.268
Equity 31 December 2023	8.254	145.163	1.321.203	800.000	2.274.620

The share capital has remained unchanged since the formation of the Company.

Notes

	2023	2022
1. Finance expenses		
Finance expenses arising from group enterprises	110.161	6.125
Other finance expenses	158.287	49.860
	<u>268.448</u>	<u>55.985</u>
2. Long-term investments in associates		
Cost at the beginning of the year	237.764	237.764
Cost at the end of the year	<u>237.764</u>	<u>237.764</u>
Revaluations at the beginning of the year	156.900	0
Change due to a foreign currency translation adjustment	94.522	7.221
Revaluations for the year	1.069.781	149.679
Revaluations at the end of the year	<u>1.321.203</u>	<u>156.900</u>
Carrying amount at the end of the year	<u>1.558.967</u>	<u>394.664</u>

3. Accruals and deferred income

Accruals and deferred income recognized as assets comprise costs concerning the subsequent financial year, and deferred income relating to ongoing voyages.

4. Deferred income

Deferred income comprise payments received from ongoing voyages, which will be recognized as income in the subsequent financial year.

5. Contingent liabilities

The Company has entered into contracts regarding chartering of ships per 31 December with a remaining period up to 3 months. The total rent obligation comprise USD 2.088 thousand (2022: USD 2.025 thousand).

The group companies are jointly and severally liable for tax on jointly taxed incomes etc of the Group. 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. The group companies consolidated tax liability is recognised in the annual report of S.N.P. Holding ApS, cvr-no. 34 88 19 60.

6. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

7. Employee relations

The company has no employees apart from the management. The director has not received remuneration.

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Stefan Nordby Petersen

Direktør

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Morten Troels Pedersen

REVISIONSFIRMAET EDELBO STATS-AUTORISERET

REVISIONSPARTNERSELSKAB CVR: 35486178

Statsautoriseret revisor

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Martin Erik Spanggaard

Dirigent

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