Synergy Denmark A/S

Kay Fiskers Plads 10
2300 København S
Denmark

CVR no. 42 58 35 88

Annual report for the period 5 August 2021 – 31 December 2022

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

7 July 2023

Rajesh Madhavan Unni
Chairman of the annual general meeting

Contents

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 Synergy Denmark A/S for the financial period 5 August 2021 – 31 December 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial period 5 August 2021 – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the period and of the Group's and the Parent Company's financial position.

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

Copenhagen, 7 July 2023
Executive Board:

Tommy Thomassen

Board of Directors:

Rajesh Madhavan Unni Chairman	Tommy Thomassen	Sanjeev Namath Kurungodan

Independent auditor's report

To the shareholders of Synergy Denmark A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Synergy Denmark A/S for the financial period 5 August 2021 – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial period 5 August 2021 – 31 December 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 consolidated financial statements and the parent company 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.

Management's responsibility for the consolidated financial statements and the parent company 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 that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, 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 parent company 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.

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 as to whether the consolidated financial statements and the parent company 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 financial statement users made on the basis of these consolidated financial statements and parent company 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 consolidated financial statements and parent 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.

— 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 parent company 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 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 parent company 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 Group and the Company to cease to continue as a going concern.

— evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company 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.

Independent auditor's report

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements or the parent company 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 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 of the Management's review.

Copenhagen, 7 July 2023
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Klaus Rytz
State Authorised
Public Accountant
mne33205

Ilhan Dogan
State Authorised
Public Accountant
mne47842

Management's review

Company details

Synergy Denmark A/S
Kay Fiskers Plads 10
2300 København S
Denmark

CVR no.:	42 58 35 88
Established:	5 August 2021
Registered office:	Copenhagen
Financial period:	5 August 2021 – 31 December 2022

Board of Directors

Rajesh Madhavan Unni, Chairman
Tommy Thomassen
Sanjeev Namath Kurungodan

Executive Board

Tommy Thomassen

Auditor

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

Management's review

Financial highlights for the Group

USD'000	5/8 2021-31/12 2022
Key figures	
Gross profit/loss	18,060
Profit/loss before financial income and expenses	2,442
Profit/loss from financial income and expenses	535
Profit/loss for the period	2,300
Total assets	72,022
Equity	26,974
Investment in property, plant and equipment	437
Cash flows from operating activities	5,525
Cash flows from investing activities	-26,489
Cash flows from financing activities	24,825
Total cash flows	3,861
Ratios	
Current ratio	114.6%
Return on equity	17.1%
Solvency ratio	37.5%
Average number of full-time employees	130

The financial ratios have been calculated as follows:

Current ratio $$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$$

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

Solvency ratio $$\frac{\text{Equity ex. non-controlling interests at year-end x 100}}{\text{Total equity and liabilities at year-end}}$$

Management's review

Operating review

The Group's principal activities

The purpose of the company is to engage in ship management and other shipping activities, as well as related businesses, including owning shares in other companies that, in the board's assessment, are connected to this.

Development in activities and financial position

It is the Company's first financial year and comprises the period 5 August 2021 to 31 December 2022.

The Company's income statement for 2021/22 shows a profit of USD 2,300,453 and Equity in the Company's balance sheet at 31 December 2022 stood at USD 26,895,464. This is in line with managements expectations.

Environmental matters

Accelerating the shipping industry's decarbonisation is crucial to meeting the Paris Agreement's 1.5 degree temperature goal.

Shipping is therefore on the verge of an energy revolution, but little is sure about its precise course. Long-term climate ambition alone is insufficient. Urgent action is vital to achieving the goal of zero-emission shipping by 2050.

The Call to Action for Shipping Decarbonisation is a joint initiative of the Global Maritime Forum and the Getting to Zero Coalition, an alliance of over 150 major businesses. This collaborative effort calls on governments to partner with the industry to implement the policies necessary to decarbonise global supply chains and economies.

Developed by a multi-stakeholder task force convened by the Getting to Zero Coalition, the primary messages of the Call to Action are that:
1) by 2050, shipping must adhere to the Paris Agreement's temperature target and completely decarbonise and use net-zero energy sources instead;
2) its signatories firmly believe that decarbonising the maritime supply chain urgently and equitably by 2050 is both achievable and necessary;
3) the private sector is setting the standards and taking concrete steps to make zero-emission vessels and fuels the default option by 2030. To achieve both the 2030 and 2050 goals, decisive government action and supporting policy frameworks are required.

Coinciding with the UN General Assembly, the Call to Action was launched virtually on 22 September 2021, by representatives from signatory companies worldwide.

Synergy joined the Call to Action campaign earlier this year, amid 150 of the world's largest organisations in the marine, energy, infrastructure, and finance sectors, calling for decisive action towards a clear goal of net-zero emissions for the shipping industry by 2050. No single fuel can meet shipping's zero-carbon requirements, so the industry is destined for a multi-fuel future.

Synergy, as technical thought partners, will continue to deliver fuel and technological flexibility options. We will also remain committed to engaging and investing in zero-emission shipping pilot and demonstration projects, including wind propulsion, batteries, and fuel cells.

Uncertainty regarding recognition and measurement

The valuation of assets and liabilities is made in accordance with current accounting policies, and Management believes that no uncertainty is related to recognition and measurement.

Management's review

Operating review

Diversity and Inclusion

As an organization aspiring to excellence, issues related to diversity are a high priority at Synergy. We realize that the benefits of diversity are best achieved by fostering greater inclusion and belonging. We will continue to attract, hire, and retain a diverse workforce because that is a key source of good ideas, and talented applicants will be drawn to work with us. But hiring for diversity alone is not enough. We want to ensure that our employees can bring their full selves to work – that they can belong in the fullest sense to the community inside the organization.

At Synergy we want a workplace that is truly characterized by inclusion and belonging. Diversity for us is more about the variety of our thoughts as a team. Although diversity can be created through deliberate hiring practices, inclusion may not automatically follow. We want our entire workforce to appreciate and show sensitivity to the cultural, and any other, differences that exist in our teams, as well as among the people we interact with in our daily business. We strive to create an environment where everyone feels they belong.

Unusual circumstances

No significant entity specific unusual circustances were faced during the period.

Outlook

In 2023, we are expecting to reach the profit to USD 2,000 - 3,000 thousand, as we expect markets to improve and growth in vessels under management.

Research and development activities

No significant Research and development activities happended during the period.

Also, no significant plans for the year 2023.

Knowledge resources

A full-service provider, Synergy Group skillfully and expertly supports and maintains shipowners' interests and assets with top-to-bottom technical management services worldwide, and other industry-related support.

Just to mention a few :

Vessels are maintained in optimum condition by a customised PMS and a team of highly experienced technical personnel. Performance is closely monitored in order to deliver energy efficiency and other advantages, with our aim to always to ensure sustainable, best in class care.

Our technical and centralised procurement departments are focused on meeting budget targets, achieved through established best practices in marine technical maintenance support, but they will never compromise on safety, compliance, and environmental care, and will always apply best practices in:
1) Communication, including open communication with vessels to anticipate potential problems
2) Customised, in-house IT systems and support;
3) Regular monitoring and measuring of financial performance;
4) Economies of scale and strong purchasing power, partnerships, and network alliances, resulting in lower costs.

Management's review

Operating review

Our centralised Procurement Department plays a vital role in the technical management of our managed fleet. We have long-standing relationships with leading suppliers, shipyards and repair workshops to ensure that our owners consistently receive reliable and high-quality services at competitive prices.

Risk assesment

The Group's and the Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies other than the functional currency to the Group and the Company. At present, the Group does not have any formal policy for hedging against currency risk. The Group ensures that the net exposure is kept minimum and uses natural hedge that collecting from the same currency and paying the same currency.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2021/22.

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Income statement

USD	Note	Group 5/8 2021- 31/12 2022	Parent Company 5/8 2021- 31/12 2022
Gross profit		18,060,197	11,598,878
Staff costs	2	-9,543,325	-3,608,709
Depreciation, amortisation and impairment losses		-6,075,174	-5,802,559
Profit before financial income and expenses		2,441,698	2,187,610
Other financial income	3	534,882	386,094
Other financial expenses	4	-365	0
Profit before tax		2,976,215	2,573,704
Tax on profit/loss for the year	5	-675,762	-566,199
Share of profit for the period	6	2,300,453	2,007,505

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Balance sheet

USD	Note	Group 31/12 2022	Parent Company 31/12 2022
ASSETS			
Fixed assets			
Intangible assets	7		
Goodwill		805,632	0
Customers Rights		18,969,709	18,969,709
		19,775,341	18,969,709
Property, plant and equipment	8		
Fixtures and fittings, tools and equipment		380,238	263,063
Investments	9		
Equity investments in group entities		0	1,556,534
Receivables from group entities		142,337	0
Deposits		116,005	81,765
		258,342	1,638,299
Total fixed assets		20,413,921	20,871,071
Current assets			
Receivables			
Trade receivables		600,178	598,912
Receivables from group entities		3,060,643	3,060,643
Other receivables		1,964,651	1,773,258
Deferred tax asset	10	369,815	353,247
Prepayments	11	96,388	80,346
		6,091,675	5,866,406
Restricted cash	12	41,655,563	41,655,563
Cash at bank and in hand		3,860,821	2,988,321
Total current assets		51,608,059	50,510,290
TOTAL ASSETS		72,021,980	71,381,361

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Balance sheet

USD	Note	Group 31/12 2022	Parent Company 31/12 2022
EQUITY AND LIABILITIES			
Equity			
Contributed capital		78,114	78,114
Retained earnings		26,895,464	26,753,988
Total equity		26,973,578	26,832,102
Liabilities			
Current liabilities			
Trade payables		678,461	664,706
Payables to group entities		160,360	252,236
Corporation tax		913,875	919,446
Other payables	13	43,295,706	42,712,871
		45,048,402	44,549,259
Total liabilities		45,048,402	44,549,259
TOTAL EQUITY AND LIABILITIES		72,021,980	71,381,361

Contractual obligations, contingencies, etc.	14
Related party disclosures	15

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Statement of changes in equity

	Group		
USD	Contributed capital	Retained earnings	Total
Equity at 5 August 2021	78,114	24,746,483	24,824,597
Exchange adjustment	0	-151,472	-151,472
Transferred over the profit appropriation	0	2,300,453	2,300,453
Equity at 31 December 2022	78,114	26,895,464	26,973,578

	Parent Company		
USD	Contributed capital	Retained earnings	Total
Equity at 5 August 2021	78,114	24,746,483	24,824,597
Transferred over the profit appropriation	0	2,007,505	2,007,505
Equity at 31 December 2022	78,114	26,753,988	26,832,102

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Cash flow statement

USD	Note	Group 5/8 2021- 31/12 2022
Profit for the period		2,300,453
Exchange adjustment		-151,472
Other adjustments	16	511,062
Depreciation, amortisation and impairment losses		6,075,174
Cash generated from operations before changes in working capital		8,735,217
Changes in working capital	17	-3,612,711
Cash generated from operations		5,122,506
Interest income received		534,882
Interest expense		-365
Corporation tax paid		-131,702
Cash flows from operating activities		5,525,321
Acquisition of intangible assets		-25,793,923
Acquisition of property, plant and equipment		-436,830
Acquisition of deposits from group entities		-142,337
Acquisition of deposits		-116,005
Cash flows from investing activities		-26,489,095
Shareholders:		
Increase in share capital		24,824,595
Cash flows from financing activities		24,824,595
Cash flows for the period		3,860,821
Cash and cash equivalents at year-end		3,860,821

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Notes

1 Accounting policies

The annual report of Synergy Denmark A/S for 2021/22 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The consolidated and annual report for 5 August 2021 - 31 December 2022 have been presented in USD. The exchange rate used is 6.9722 at December 2022.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

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 charged on behalf of third parties. 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.

Other operating income

Other operating income comprises items secondary to the activities of the Group, including gains on the disposal of intangible assets and property, plant and equipment as well as payroll refunds.

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Notes

1 Accounting policies (continued)

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.

Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

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

Intangible assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. The amortisation period is 5 years and longest for strategically acquired entities with a strong market position and long-term earnings profile.

Customers Rights

Costumers rights is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. The amortisation period is 5 years and longest for strategically acquired entities with a strong market position and long-term earnings profile.

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Notes

1 Accounting policies (continued)

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Investments

Equity investments in group entities and participating interests 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.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in subsidiaries and participating interests (including associates) is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables 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.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Prepayments

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

Liabilities

Other liabilities are measured at net realisable value.

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Notes

1 Accounting policies (continued)

Cash flow statement

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

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

Cash flows from operating activities

Cash flows from operating activities are calculated as the 2021/22 share of profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Notes

	USD	Group 5/8 2021- 31/12 2022	Parent Company 5/8 2021- 31/12 2022
2	**Staff costs**		
	Wages and salaries	8,679,043	3,188,184
	Pensions	339,828	339,828
	Other social security costs	524,454	80,697
		9,543,325	3,608,709
	Average number of full-time employees	130	20

In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors is not disclosed.

		Group	Parent Company
3	**Other financial income**		
	Interest income from group entities	271,343	267,724
	Exchange rate adjustments	263,539	118,370
		534,882	386,094
4	**Other financial expenses**		
	Other financial costs	365	0
		365	0
5	**Tax on profit/loss for the year**		
	Current tax for the year	1,045,577	919,446
	Deferred tax for the year	-369,815	-353,247
		675,762	566,199
6	**Proposed profit appropriation**		
	Retained earnings	2,300,453	2,007,505

Consolidated financial statements and parent company financial statements 5 August 2021 – 31 December 2022

Notes

7 Intangible assets

	Group		
USD	Goodwill	Customers Rights	Total
Cost at 5 August 2021	0	0	0
Additions for the year	1,050,824	24,743,099	25,793,923
Cost at 31 December 2022	1,050,824	24,743,099	25,793,923
Amortisation for the year	-245,192	-5,773,390	-6,018,582
Amortisation and impairment losses at 31 December 2022	-245,192	-5,773,390	-6,018,582
Carrying amount at 31 December 2022	805,632	18,969,709	19,775,341

	Parent Company
USD	Costumers Rights
Cost at 5 August 2021	0
Additions for the year	24,743,099
Cost at 31 December 2022	24,743,099
Amortisation for the year	-5,773,390
Amortisation and impairment losses at 31 December 2022	-5,773,390
Carrying amount at 31 December 2022	18,969,709

8 Property, plant and equipment

	Group
USD	Fixtures and fittings, tools and equipment
Cost at 5 August 2021	0
Additions for the year	436,830
Cost at 31 December 2022	436,830
Depreciation for the year	-56,592
Depreciation and impairment losses at 31 December 2022	-56,592
Carrying amount at 31 December 2022	380,238

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8 Property, plant and equipment (continued)

USD	Parent Company Fixtures and fittings, tools and equipment
Cost at 5 August 2021	0
Additions for the year	292,232
Cost at 31 December 2022	292,232
Depreciation for the year	-29,169
Depreciation and impairment losses at 31 December 2022	-29,169
Carrying amount at 31 December 2022	263,063

9 Investments

	Group	
USD	Deposits	Deposits
Additions for the year	142,337	116,005
Cost at 31 December 2022	142,337	116,005
Carrying amount at 31 December 2022	142,337	116,005

	Parent Company	
USD	Equity investments in group entities	Deposits
Additions for the year	1,556,534	81,765
Cost at 31 December 2022	1,556,534	81,765
Carrying amount at 31 December 2022	1,556,534	81,765

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9 Investments (continued)

Name	Registered office	Voting rights and ownership interest	Equity	Profit/loss for the year
			USD	USD
SYNERGY NORDIC SHIPMANAGEMENT PRIVATE LIMITED	Mumbai	100%	1,356,531	305,248
SYNERGY NORDIC SHIPMANAGEMENT PTE LTD	Singapore	100%	200,001	230,793
			1,556,532	536,041

10 Deferred tax assets

USD	Group 31/12 2022	Parent Company 31/12 2022
Deferred tax assets		
Deferred tax adjustment for the year in the income statement	369,815	353,247
	369,815	353,247

11 Prepayments

Prepayments consist of prepaid expenses concerning subsequent financial years.

12 Restricted cash

Cash at bank and in hand includes USD 41,656 thousand cash held on behalf of Vessel owners.

13 Other payables

Other payables includes USD 41,656 thousand held on behalf of Vessel owners.

14 Contractual obligations, contingencies, etc.

Operating lease obligations

The Company has entered into operating leases with a remaining term of 30 months and an average monthly lease payments of USD 14 thousand, totalling USD 446 thousand.

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Notes

15 Related party disclosures

Synergy Denmark A/S related parties comprise the following:

Control

Synergy Marine Pte. Ltd., 1 Kim Seng Promenade Singapore 237994, Singapore

Synergy Marine Pte. Ltd. holds 100 % of the contributed capital in the Company.

Synergy Denmark A/S is part of the consolidated financial statements of Synergy Marine Pte. Ltd. ,1 Kim Seng Promenade Singapore 237994, Singapore and the consolidated financial statements of Gibor Topco Limited, 1 28 Esplanade, St Helier, Jersey JE2 3QA, Jersey which is the smallest and largest group, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of Synergy Marine Pte. Ltd and the consolidated financial statement of Gibor Topco Limited, can be obtained by contacting the companies at the addresses above.

Related party transactions

	Group	Parent Company
USD	5/8 2021-31/12 2022	5/8 2021-31/12 2022
Loan provided to Parent Company	3,000,000	3,000,000
Interest earned on loan to Parent Company	48,379	48,379
Cost of services to subsidiaries	0	-7,412,879
Other income from affiliates	14,476	14,476
Reimbursement of expenses to Parent Company	-135,995	0
Reimbursement of expense to an affiliate	-141,221	0
	2,785,639	-4,350,024

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USD	Group 5/8 2021- 31/12 2022
16 Other adjustments	
Other financial income	534,880
Financial expenses	-365
Tax on profit/loss for the year	-1,045,577
	-511,062
17 Change in working capital	
Change in receivables	47,747,238
Change in trade and other payables	-44,134,527
	3,612,711