

Phoenix X A/S

Sundkrogsgade 7,

2100 København Ø

CVR No. 43268570

Annual Report 2022

financial year 6 May 2022 - 31 December 2022

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 31 May 2023

Chairman of the Annual General Meeting
Name: Jacob Ramsgaard Nielsen

Phoenix X A/S

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Management's Statement

Today, the Board of Directors and Executive Board have considered and adopted the Annual Report of Phoenix X A/S for the financial year 6 May 2022 - 31 December 2022.

The Annual Report is prepared 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 2022 and of the results of the Company's operations for the financial year 6 May 2022 - 31 December 2022.

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.

Copenhagen, 31 May 2023

Executive Board

Dorte Sørensen

Livia Francesca Musso

Board of Directors

Patrick Jany
Chair

Morten Bo Christiansen
Vice Chair

Jacob Ramsgaard Nielsen
Member

Peter Ingvar Anders Wikström
Member

Independent Auditors' Report

To the Shareholder of Phoenix X A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 6 May - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Phoenix X A/S for the financial year 6 May - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Financial Statements Act.

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

Management's Responsibilities 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditors' Report

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 judgment and maintain professional skepticism 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 31 May 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Christian Møller Gyrsting
State Authorised Public Accountant
mne44111

Henrik Bøye Laursen
State Authorised Public Accountant
mne49062

Phoenix X A/S

Company details

Company	Phoenix X A/S Sundkrogsgade 7, 2100 København Ø
CVR No.	43268570
Registered office	København
Financial year	6 May 2022 - 31 December 2022
Board of Directors	Patrick Jany, Chair Morten Bo Christiansen, Vice chair Jacob Ramsgaard Nielsen Peter Ingvar Anders Wikström
Executive Board	Dorte Sørensen Livia Francesca Musso
Auditors	PRICEWATERHOUSECOOPERS STATS-AUTORISERET REVISIONSPARTNERSELSKAB Strandvejen 44 DK-2900 Hellerup CVR-no.: 33771231

Management's Review

The Company's principal activities

The main purpose of the Company is to accelerate the wide availability of cost competitive, high-quality green marine fuels in the market by carrying out project development and other related business.

Development in the activities and the financial situation of the Company

The Company's Income Statement of the financial year 6 May 2022 - 31 December 2022 shows a result of USD -19,318 thousands and the Balance Sheet on 31 December 2022 a balance sheet total of USD 21,834 thousands and a negative equity of USD -4,618 thousands.

The company is currently in the early stages of development and anticipates incurring losses during the first year of operations. It has experienced a significant decrease in its share capital; however, the company have sufficient liquidity to ensure financial stability and meet all obligations. To strengthen its capital position, the company plans to raise additional funds in 2023. Despite of the lower-than-expected speed of development of the key projects the company is confident in its long-term prospects and remains dedicated to achieving success in its industry.

Income Statement

Reporting Class

The annual report of Phoenix X A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as selected rules applying to reporting class C.

As the financial year 2022 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The annual report is presented in USD. The average exchange rate from DKK to USD was 7.01. The exchange rate of USD to DKK was 6.97 on 31 December 2022.

Translation policies

Transactions in foreign currencies are translated into USD at the exchange rate at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into USD based on the exchange rates at the balance sheet day. Realised and unrealised foreign exchange gains and losses are recognised in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

All expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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.

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 financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

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.

Gross profit is a combination of the items of other operating expenses.

Operating expenses

Other external expenses include expenses for administration, external consultants, etc.

Staff costs

Staff costs include wages and salaries and pension to the Companies employees, as well as other social security contributions etc.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest, realised and unrealised capital gains and losses regarding accounts payable, cash pool and transactions in foreign currencies.

Tax on net profit 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 group companies 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

Receivables

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

Current tax receivables and liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as the expected income tax for the year adjusted for tax on taxable income for prior years and tax paid on account.

Short-term liabilities

Short term liabilities are measured at amortized cost, which usually corresponds to nominal value

Contingent assets and liabilities

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

Income Statement

	Note	2022 USD '000
Gross profit/loss		-22,299
Staff costs	1	-262
Depreciation of property, plant and equipment		-98
Profit/loss before financial items		-22,659
Financial income to/from Group enterprises		423
Financial expenses		-21
Profit/loss before tax		-22,257
Tax on profit/loss for the year		2,939
Profit/loss for the year		-19,318
Proposed distribution of profit/loss		
Retained earnings		-19,318
Distribution of profit/loss		-19,318

Balance Sheet as of 31 December

	Note	2022 USD '000
Assets		
Receivables from Group Companies		17,961
Other receivables		3,873
Receivables		<u>21,834</u>
Current assets		<u>21,834</u>
Assets		<u>21,834</u>
	Note	2022 USD '000
Liabilities and equity		
Share capital		56
Retained earnings		-4,674
Equity		<u>-4,618</u>
Trade payables		135
Payables to Group Companies		24,612
Other payables		83
Accrued expenses		1,622
Short-term liabilities other than provisions		<u>26,452</u>
Liabilities		<u>26,452</u>
Liabilities and equity		<u>21,834</u>
Contingent liabilities	2	
Related parties	3	

Statement of changes in Equity

USD '000

	Share capital	Retained earnings	Total
Equity 6 May 2022	56	14,644	14,700
Net profit/loss for the year	0	-19,318	-19,318
Equity 31 December 2022	56	-4,674	-4,618

Notes to the financial statement

2022
USD '000

1. Staff costs

Wages and salaries	252
Pension costs	10
Social security contributions	0
	262
Average number of employees	9

Staff costs only incurred in December 2022 are recognised in the income statement.

2. Contingent liabilities

The Company is jointly taxed with the Danish Companies within A.P. Møller - Mærsk A/S group and A.P. Møller - Holding A/S. As a wholly owned subsidiary, the Company shall be liable jointly with the other companies in the joint taxation of Danish withholding taxes on dividends, interest and royalties within joint taxation group.

The total amount appears from the annual report of A.P. Møller - Mærsk A/S, which is the administration company in the joint taxation.

No other contingent liabilities exist at the balance sheet date.

3. Related parties

A.P. Møller - Mærsk A/S (the parent company) has control over the Company. The Company is included in the consolidated accounts of A.P. Møller - Mærsk A/S as well as A.P. Møller Holding A/S (the ultimate parent company). Related parties include all other companies in the A.P. Møller – Mærsk A/S Group.

There is no disclosure of transactions with related parties as it is the assessment that all transactions are at arms-length terms.

Name and registered office of the parent company:

A.P. Møller - Mærsk A/S, Esplanaden 50, 1263 Copenhagen K, Denmark