

MBEB Holding ApS

Midtermolen 1, 2100 Copenhagen Ø

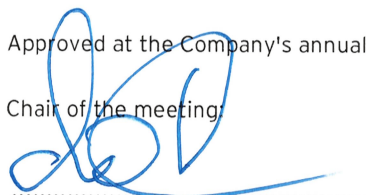
CVR no. 44 49 17 96

Annual report

for the period 13 December 2023 - 31 December 2023

Approved at the Company's annual general meeting on 24 April 2024

Chair of the meeting:

A handwritten signature in blue ink, consisting of stylized, overlapping loops and lines, positioned above a dotted line.

Anders Hald

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Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of MBEB Holding ApS for the financial year 13 December 2023 - 31 December 2023.

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 financial position of the Group and the Parent Company at 31 December 2023 and of the results of their operations and consolidated cash flows for the financial year 13 December 2023 - 31 December 2023.

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

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

Copenhagen, 24 April 2024

Executive Board:



Anne Brown Pade
CEO

Board of Directors:



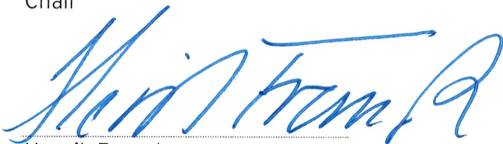
Anders Hald
Chair



Anne Brown Pade



Claes Devantier



Henrik Franck

Independent auditor's report

To the shareholders of MBEB Holding ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of MBEB Holding ApS for the financial year 13 December 2023 - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. 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 financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 13 December 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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. Moreover, Management is responsible 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 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 financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 the financial statements.

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

Independent auditor's report (continued)

- ▶ 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 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 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 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 Parent Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note 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.

Statement on the Management's review

Management is responsible for the Management's review.


Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

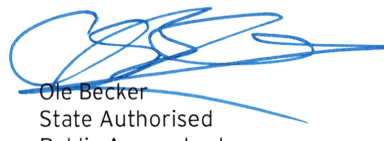
Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 24 April 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Mikkel Sthyr
State Authorised
Public Accountant
mne26693



Ole Becker
State Authorised
Public Accountant
mne33732

Management's review

Company details

Name	MBEB Holding ApS
Address, postal code, city	Midtermolen 1, 2100 Copenhagen Ø
CVR no.	44 49 17 96
Established	13 December 2023
Registered office	Copenhagen, Denmark
Financial year	13 December 2023 - 31 December 2023
Executive Board	Anne Brown Pade, CEO
Board of Directors	Anders Hald, Chair Anne Brown Pade Claes Devantier Henrik Franck
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, DK-2000 Frederiksberg

Management's review

Financial highlights

DKK'000	*2023
Key figures	
Revenue	3,289
Operating profit/loss	-6,225
Profit/loss from net financials	-317
Profit/loss for the year	-6,602
Balance sheet total	841,814
Investments in property, plant and equipment	-
Equity	43,671

**Consolidated figures for the period 13 December - 31 December 2023 (operational activity from 29 December - 31 December 2023)*

Management's review

Operating review

Principal activities

The parent Company and MBEB Holding Group's principal activities consist of shipbrokering.

The parent Company was established on 13 December 2023. On 29 December 2023, the Group acquired 100 % of the shares in MB Shipbrokers K/S (former Maersk Broker K/S) and MB Shipbrokers Komplementar A/S (former Maersk Broker A/S).

After the balance sheet date, the parent Company has changed the legal name from Moby Holding ApS to MBEB Holding ApS.

Development in activities and financial matters

In 2023, the Group had limited activity due to the establishment of the parent Company and acquisition of the MB Shipbrokers Group by the end of the year. Management finds the results of the year satisfactory.

Outlook

For 2024, profit before net financials is expected to be higher than 2023 in the range of DKK 30-55 million due to full year effect of the acquired group.

Corporate social responsibility

Statement of social responsibility according to section 99a of the Danish Financial Statements Act, of the gender composition according to section 99b of the Danish Financial Statements Act and of data ethics cf. section 99d.

Business model and risk analysis

MBEB Holding ApS and the MB Shipbrokers group (hereinafter MBS) is a group whose main purpose is to facilitate contact between parties who primarily have a maritime asset (e.g. a tanker) at their disposal and parties who need to use a maritime asset. It could be between a buyer and a seller, an owner or a charterer, etc. For an intermediation of contact leading to a successful business transaction, MBS receives a commission that is a percentage of the value of the transaction.

MBS has been commercially active for more than 100 years, and it is crucial for the company's management that the company is run in an economically and socially responsible manner and in accordance with current legislation. This has always been the cornerstones of the way of doing business, and MBS wants to extend these principles to their relationships with customers, suppliers and other business partners.

For MBS, high standards are set within employees and management, anti-corruption and ethics and form an integral part of MBS' way of doing business.

Of the business risks, the risk of losing the majority of the best performing brokers / key employees as well as unethical business practices are considered to be the most crucial. Retention of key employees and an ethically responsible business model are therefore of constant concern to MBS.

MBS' risk of affecting the environment and climate as well as human rights is assessed to be limited.

Employees and management

As a responsible employer, MBS is committed to ensuring that all employees are treated in accordance with applicable legislation and labour market agreements. MBS wants to be an attractive workplace and conducts ongoing employee surveys in order to uncover how best to support and engage employees so that they get the best conditions to thrive in the workplace and perform their best efforts. The aim is to conduct an employee survey every 18 months.

One material risk for MBS is the failure to effectively address issues uncovered through the ongoing employee surveys, leading to decreased employee satisfaction, productivity, and retention rates.

Management's review

The latest employee survey was conducted in May 2023. Here, 215 employees out of a possible 241 took the time to answer 29 questions. Overall, the company achieved a score of 83 out of 100, compared to 82 out of 100 in the previous survey. As many as 20 of the questions were rated at least 80. A score of 80 and above is considered to be very high. As far as questions aimed specifically at Management are concerned, the company achieved an overall score of 84. The question "Overall, I am satisfied with MBS as a workplace", achieved a score of 84.

Further work based on the responses addressed to each department has been ongoing through 2023 and this will continue in 2024. MBS does not employ underage persons, nor does it accept this from our suppliers. We also do not use forced, or otherwise involuntary labour.

Anti-corruption and ethics

The risk of MBS being involved in corruption will be detrimental to our name/brand and result in loss of customers. We will also risk incurring fines under both English and US anti-corruption laws.

Our policy requires that no employee - directly or indirectly through 3rd party - becomes involved in corrupt practices, including bribery, extortion and fraud as defined in relevant anti-corruption legislation. No employee shall offer and/or give (or receive) anything of value, directly or indirectly, to (or from) any person, agent, or employee of a client for the undue benefit to themselves, family members, friends, business associates and/or MBS.

Our anti-corruption rules are described in our internal business directives and the "Code of Conduct" and all employees must confirm once a year that they are familiar with the content of both directives and the "Code of Conduct". When entering into transactions involving the payment of commissions to co-brokers, it is required that they complete and sign a "Pledge of Anti-corruption Compliance".

In 2023, strict checks have been conducted on whether any bribes have been paid. It has also been checked that commissions have only been paid to co-brokers who have signed the Pledge of Anti-corruption Compliance.

In 2023, there have been no cases of suspected corruption.

Going forward, there will continue to be a very strong focus on this area. Information and communication to our employees will be intensified and there will be unabated control of all payments to 3rd parties.

Human rights

MBS respects international human rights conventions and works to ensure that we are not complicit in their breaches in connection with our global business. However, MBS only uses external suppliers and partners to a limited extent. Thus, it is the company's assessment that there is no need for a human rights policy. The company will continuously assess whether a policy is necessary.

Environment and climate

MBS is considered to have minimal risks of affecting environmental and climatic conditions. Conversely, environmental and climatic conditions may affect MBS' business. For example, the reduced volume of water in the Panama Canal is a potential business advantage for MBS, as the ships will have longer sailing routes.

MBS's own impact on environmental and climatic conditions is minimal, MBS assumes its share of responsibility by trying to influence and help our customers.

MBS are selling reports to clients with guidance and suggestions for how the clients can improve their fuel economy and reduce CO2 emissions. Also MBS are assisting clients with information of which shipyards and which designs are most optimal having the lowest possible CO2 footprint. The increased focus on alternative fuels has resulted in increased work for MBS assisting clients with making reports to them giving suggestions on how to upgrade their vessels to become more fuel efficient or even ordering of new vessels.

In 2023 in Copenhagen, we have set up additional charging stations in our underground car park for use in plug-in hybrid cars and electric cars. And also in 2023 waste management was introduced in the office with separation of various types of waste (organic, plastic, paper etc.)

Management's review

In the coming years MBS will focus on further reducing our impact on the environment through:

1. **Promote Green Chartering:** Encourage clients to opt for more environmentally friendly vessels, such as those equipped with fuel-efficient engines or utilizing alternative fuels like LNG (liquefied natural gas) or biofuels.
2. **Support Clean Technologies:** Advocate for and facilitate the adoption of clean technologies in the maritime industry, such as scrubbers to reduce air emissions and ballast water treatment systems to prevent the spread of invasive species.
3. **Reduce Paper Usage:** Minimize paper consumption by digitizing paperwork, contracts, and documents wherever possible. Implement electronic communication systems to reduce the need for printing and shipping physical documents.
4. **Sustainable Office Practices:** Implement sustainable practices in the office, such as energy-efficient lighting, recycling programs, and reducing water consumption.

Gender composition in management

MBS has a recruitment and appointment policy reflecting the surrounding society and talent pool in relation to gender, ethnic origin, age, etc. We see diversity as a strength that can contribute positively to making MBS an even better workplace. We work actively to create an inclusive culture.

We will work actively to achieve a "balanced composition of women and men", cf. section 99b of the Danish Financial Statements Act. This means at least 40 percent managers of each gender in the individual management layers.

The total share of permanently employed women in the Group as of 31 December 2023 was approximately 36%, while the long-term objective is still to achieve a share of at least 40%.

In 2023, MBS has also focused on actions to achieve a more equal gender balance in other levels of management teams through the internal and the external recruitment process. However, it must be noted that the industry in which MBS operates is historically characterised by an overrepresentation of men, which is why the proportion of female applicants for commercial positions remains limited. MBS has established a working group that focuses on promoting retention and recruitment of women. By the change in ownership, the balanced gender composition for board members was achieved end of 2023.

The share of the underrepresented gender at other management levels (persons with personnel responsibilities, at levels 1 and 2) amounted to approximately 18% out of a total of 34 managers as of 31 December 2023. MBS has a goal of creating a more equal gender distribution at the second management level, optimally a 40/60 distribution to be achieved by 2027. In the current financial year, the company actively implemented targeted recruitment strategies to enhance gender diversity in management positions. Efforts were made to source diverse candidates, including those of the underrepresented gender, for managerial roles. Despite these initiatives, there were limited applications or suitable candidates from the underrepresented gender for the available management positions. It is however highly doubtful that this can be achieved as the pipeline of female employees working in commercial roles are very thin.

The fundamentals of becoming a successful manager in a shipbroking company is to have commercial success on an individual basis. None of the commercial management positions are pure management positions ie. it is imperative to demonstrate own commercial success. With that in mind it is not an option to recruit from other industries for management positions. It has to come from within the industry in which MBS operates. MBS will continue to work diligently in attracting the underrepresented gender, and to retain the ones already hired.

The board consist of 4 members where the underrepresented gender constitutes 25%. MBS' goal that the board will have an equal gender distribution of 25/75 men and women was achieved during 2023.

The first level of management includes members of the Executive Board and the persons who organizationally are at the same level as the Executive Board. The other level of management level includes persons with managerial responsibility, who refer directly to the first level of management.

Management's review

Level	Description	*2023	2024	2025	2026	2027
Board level	Board members	4				
	Underrepresented gender in percentage	25				
	Target in percentage	25				
	Target achieved	2023				
Other management levels (1 and 2)	Other management members	34				
	Underrepresented gender in percentage	18				
	Target in percentage	40				
	Target to be achieved by	2027				

*Consolidated figures for the period 13 December - 31 December 2023 (activity from 29 December - 31 December 2023)

Report on data ethics

Our business is about trust, also when it comes to the ethical aspects of using data. Combining data and technology creates opportunities to develop products and services that improve both our customers' and our own business. MBS' business is increasingly based on data and technology, and we recognise that the technological development, together with the risks and opportunities created by the use of large amounts of data, requires special care. To ensure the ethical aspect of our handling and processing of data, MBS has implemented the following principles based on the company's values of trust, attention and security.

Our data ethics principles:

1. MBS' top management invites open and honest communication throughout the organisation regarding error correction and evaluation of lessons learned.
2. We strengthen the ethical decision-making by considering the different aspects of data use and data management in teams based on diversity and broad professionalism.
3. We offer our employees IT tools and systems that support the secure and respectful handling, storage and processing of both internal and external data.
4. MBS restricts employees' access to data based on a "need to know" principle. Responsible handling of personnel data, business-critical data, customer data, etc. is a requirement in employment contracts under the section on general confidentiality.

General risks

As a result of its operations and financing, the Group is exposed to financial risks, including market risks which is primarily related to an interest rate risk, which may affect the Group's results of operations and financial position. The Group's risks are managed centrally in the Group's finance function in accordance with the principles adopted and set out by the Board of Directors. It is the Group's policy not to engage in active speculation in financial risks. Thus, the Group's financial management is aimed at managing the financial risks directly attributable to the Group's operations and financing.

Interest rate risks

As at 31 December 2023, the Group had interest-bearing debt of DKK 493 million. The Group's results will be affected by any change in interest rates. From 2024, the Group has entered into an interest swap contract hedging 50% of the variable interest rate exposure.

Subsequent events

No events of material importance to the financial position of the Company or the Group for 2023 have occurred.

Consolidated financial statements and parent company financial statements

Income statement

Note	DKK'000*	Group	Parent
		*2023	2023
2	Revenue	3,289	-
	Other operating income	41	-
3	External costs	-6,874	-166
4	Staff costs	-2,371	-
	Depreciation and amortisation	-310	-
	Profit before net financials	-6,225	-166
	Other financial income	303	-
	Other financial expenses	-620	-
	Profit before tax	-6,542	-166
8	Tax on profit for the year	-60	8
	Profit for the year	-6,602	-158
	The profit for the year is attributable to:		
	Non-controlling interests' share of profit	6	-
13	Parent Company's share of profit	-6,608	-158
	Profit for the year	-6,602	-158

*Consolidated figures for the period 13 December - 31 December 2023 (activity from 29 December - 31 December 2023)

Consolidated financial statements and parent company financial statements

Balance sheet

Note	DKK'000	Group	Parent
		2023	2023
	ASSETS		
	Fixed assets		
5	Intangible assets		
	Goodwill	246,889	-
	Customer relationship	45,585	-
	Order Backing	34,748	-
	Software	30,587	-
		357,809	-
6	Property, plant and equipment		
	Operating equipment, cars and furniture	4,685	-
		4,685	-
	Investments		
7	Equity investments in group entities	-	100,000
9	Other receivables	4,221	-
		4,221	100,000
	Total fixed assets	366,715	100,000
	Non-fixed assets		
	Receivables		
	Trade receivables	64,675	-
	Other receivables	18,065	100
10	Deferred tax assets	14,448	8
	Corporation tax receivables	948	-
11	Prepayments	5,073	-
		103,209	108
	Cash and cash equivalents	371,890	-
	Total non-fixed assets	475,099	108
	TOTAL ASSETS	841,814	100,108

Consolidated financial statements and parent company financial statements

Balance sheet

Note	DKK'000	Group	Parent
		2023	2023
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	100	100
	Retained earnings	43,392	49,842
	MBEB Holding ApS' shareholders share of equity		
	Non-controlling interests	179	-
	Total equity	43,671	49,942
	Provisions		
	Other provisions	1,294	-
10	Deferred tax	11,996	-
	Total provisions	13,290	-
	Non-current liabilities other than provision		
12	Debt to credit institutions	363,654	-
		363,654	-
	Current liabilities other than provisions		
12	Debt to credit institutions etc.	129,493	50,000
	Trade payables	13,368	-
	Corporation tax payables	4,135	-
	Other payables	274,203	166
		421,199	50,166
	Total liabilities	798,143	50,166
	TOTAL EQUITY AND LIABILITIES	841,814	100,108

- 1 Accounting policies
- 14 Contingent liabilities, guarantees, etc.
- 15 Related parties
- 17 Acquisition of group entities and activities
- 18 Subsequent events

Consolidated financial statements and parent company financial statements

Statement of changes in equity - Group

DKK'000	Group					Total equity
	Share capital	Share premium account	Retained earnings	MBEB Holding ApS' shareholders' share of equity	Non-controlling interests	
Equity at 13 December 2023	-	-	-	-	-	-
Cash payments concerning formation of enterprise	100	50,000	-	50,100	-	50,100
Transfer	-	-50,000	50,000	-	-	-
Profit for the year	-	-	-6,608	-6,608	6	-6,602
Non-controlling interests arising from business combinations	-	-	-	-	173	173
Equity at 31 December 2023	100	-	43,392	43,492	179	43,671

Statement of changes in equity - Parent Company

DKK'000	Parent			Total equity
	Share capital	Share premium account	Retained earnings	
Equity at 13 December 2023	-	-	-	-
Cash payments concerning formation of enterprise	100	50,000	-	50,100
Transfer	-	-50,000	50,000	-
Profit for the year	-	-	-158	-158
Equity at 31 December 2023	100	-	49,842	49,942

Consolidated financial statements and parent company financial statements

Cash flow statement

		Group
Note	DKK'000	2023
	Profit before net financials	-6,225
	Depreciation and amortisations	310
16	Other adjustments of non-cash operating items	-3
	Cash generated from operations before changes in working capital	-5,918
16	Changes in working capital	3,383
	Cash generated from operations	-2,535
	Interest received	47
	Interest paid	-360
	Cash flows from operating activities	-2,848
	Changes in interest-bearing receivables	-155
17	Business combinations	-168,157
	Cash flows from investing activities	-168,312
	Proceeds from debt to credit institutions	492,950
	Cash payments concerning formation of enterprise	50,100
	Cash flows from financing activities	543,050
	Cash flows for the year	371,890
	Cash and cash equivalents, beginning of year	-
	Cash and cash equivalents, year end	371,890

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Consolidated financial statements and parent company financial statements

Notes

1 Accounting policies

The annual report of MBEB Holding ApS for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class C entities (large).

This is the first financial year.

Presentation currency

The financial statements are presented in Danish Kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company MBEB Holding ApS and group entities controlled by MBEB Holding ApS.

Control means the power to exercise decisive influence over a group entity's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing whether the Parent Company controls an entity, de facto control is also taken into consideration.

The existence of potential voting rights that may currently be exercised or converted into additional voting rights is considered when assessing whether an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual group entities' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates and equity interests are eliminated in proportion to the Group's ownership interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

The group entities' financial statement items are included 100% in the consolidated financial statements. Non-controlling interests' share of the profit/loss for the year and of the equity of group entities that are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are presented separately.

Acquisitions and disposals of non-controlling interests that are still controlled are recognised directly in equity as a transaction between shareholders.

Business combinations

Newly acquired entities are recognised in the consolidated financial statements from the acquisition date. Entities sold or otherwise disposed of are recognised in the consolidated financial statements up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinuing operations are presented separately, see below.

Consolidated financial statements and parent company financial statements

Notes

1 Accounting policies (continued)

The acquisition date is the date when the Group actually obtains control of the acquiree.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identified assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax on revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill in intangible assets. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the acquisition date.

The purchase consideration for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the purchase consideration is contingent on future events or compliance with agreed terms, such part of the purchase consideration is recognised at fair value at the acquisition date. Subsequent adjustments of contingent purchase considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. If it turns out subsequently that the identification or measurement of the purchase consideration, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Subsequently, any adjustments are recognised as errors.

Gains or losses from the divestment of group entities that implies that control is no longer maintained are calculated as the difference between, on the one hand, the net selling price and, on the other hand, the proportionate share of the carrying amount of net assets. If the Parent Company still holds equity investments in the divested group entity, the remaining proportionate share of the carrying amount forms the basis for the measurement of equity investments in associates, participating interests or securities and equity investments.

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.

On translation of foreign group entities that are integral entities, monetary items are recognised at the exchange rates at the balance sheet date. Non-monetary items are recognised at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

Consolidated financial statements and parent company financial statements

Notes

1 Accounting policies (continued)

Derivative financial instruments

The fair value of derivative financial instruments is recognised in other receivables (positive fair value) or other payables (negative fair value).

Changes in the value of derivative financial contracts entered into to secure future transactions are recognised directly in equity until the secured transactions are realised, at which point changes in value are recognised in the secured transactions. Changes in the value of hedging contracts that do not comply with hedging accounting requirements are recognised in the profit and loss account.

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition for the consolidated financial statements and parent company financial statements.

On the conclusion of sales contracts that consist of several separate sales transactions, the contract price is split up into the individual sales transactions based on the relative fair value approach. The separate sales transactions are recognised as revenue when the criteria for sale of goods, services or construction contracts are met.

A contract is split up into individual transactions when the fair value of each individual sales transaction can be estimated reliably and when each individual sales transaction represents a stand-alone value for the buyer. Sales transactions are deemed to have a stand-alone value for the buyer when the transaction is individually identifiable and usually sold separately.

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Net revenue

Net revenue consists of revenue from commission fees occurred in the financial year, where the Company has operated as a broker.

Other operating income

Other operating income comprises items secondary to the principal activities of the Company, including profit margins and losses on the sale of fixed assets and businesses, etc.

External expenses

Other external expenses comprise expenses incurred to achieve earnings for the year and primarily consist of rent, IT, entertainment, travel costs, etc.

Staff expenses

Staff expenses comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees. Refunds received from public authorities are deducted from staff expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Consolidated financial statements and parent company financial statements

Notes

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expense, financial expenses in respect of finance leases, realised and unrealised gains and losses on other securities and equity investments, transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish group entities. Group entities are included in the joint taxation from the date when the parent company obtains actual control of the group entities and up to the date when the control ceases to exist.

The Parent Company acts as administration company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporation tax charge 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 been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Intangible assets

Intangible assets consist of development projects, customer relationships, order backlog and goodwill. On initial recognition, intangible assets are measured at cost. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Amortisation is made over the estimated economic life without the determination of a residual value.

Costs relating to development projects include external costs, which are amortised over 3 - 5 years.

Amortisation is based on the residual value of the asset after the end of the useful life and is reduced by impairment losses, if any. The amortisation and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further amortisation charges are recognised.

In case of changes in the amortisation period or the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates. Amortisation is recognised in the income statement as depreciation and amortisation.

Intangible assets are measured at the lower of cost less accumulated amortisation and recoverable amount.

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

Goodwill

Goodwill is amortised over the expected economic life of the asset. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years.

The amortisation period is fixed on the basis of the expected repayment horizon and is longest for strategically acquired entities with strong market positions and long-term earnings profiles.

Consolidated financial statements and parent company financial statements

Notes

1 Accounting policies (continued)

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. The basis of depreciation is cost less any expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets and any residual value. The expected useful lives are usually estimated at 3-5 years.

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of items of property, plant and equipment are calculated 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 expenses, respectively.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation made.

Impairment tests are conducted on individual assets or cash-generating units when there is indication of impairment. Write-down is made to the lower of the recoverable amount and carrying amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Equity investments in group entities and equity interest

Equity investments in group entities and equity interests (which solely include associates) are measured at cost. Cost includes the consideration measured at fair value plus direct acquisition costs.

In case of indication of impairment, an impairment test is conducted. Equity investments are written down to the lower of the carrying amount and the recoverable amount.

Dividends received that exceed accumulated earnings in the group entity or associate or equity interest during the period of ownership are treated as a reduction in the cost of acquisition.

Consolidated financial statements and parent company financial statements

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Cash and cash equivalents

Cash and cash equivalents comprise cash.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Provisions

Provisions comprise anticipated costs related to warranties. Provisions are recognised when the Company has a legal or constructive obligation as a result of a past event at the balance sheet date, and it is probable that an outflow of the Company's resources embodying economic benefits will be required to settle the obligation. Provisions are measured at net realisable value. If the obligation is expected to be settled far into the future, the obligation is measured at fair value.

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and 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 base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences - apart from acquisitions - arise at the acquisition date without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised at the expected value of their utilisation; 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 and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

As administration company in the joint taxation group liability for the group entities' corporation tax to the tax authorities is taken over as the group entities pay their joint taxation contribution. Joint taxation contributions payable or receivable are recognised in the balance sheet as joint taxation contribution receivable or payable.

Liabilities other than provisions

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Consolidated financial statements and parent company financial statements

Notes

1 Accounting policies (continued)

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual lease commitment in respect of finance leases.

Other liabilities are measured at net realisable value.

Fair value

Fair value is determined based on the principal market. If no principal market exists, the fair value is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities that are measured at fair value or whose fair value is disclosed are classified based on the fair value hierarchy, see below:

Level 1: Value based on the fair value of similar assets/liabilities in an active market.

Level 2: Value based on generally accepted valuation methods on the basis of observable market information.

Level 3: Value based on generally accepted valuation methods and reasonable estimates based on non-observable market information.

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 disposals of entities is shown separately in cash flows from investing activities. Cash flows from acquisitions of entities are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital, interest received and paid as well as corporation tax paid. Interest received is classified as cash flows from operating activities. Furthermore, dividends received are classified as operating activity.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and investments. Dividends received regarding securities are also considered investing activities.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash.

Consolidated financial statements and parent company financial statements

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2 Revenue

	Group	Parent
DKK'000	2023	2023
Commission on chartering	2,268	-
Commission on new building activity	354	-
Commission on buying and selling activity	666	-
Total commission revenue	3,288	-
Other revenue	1	-
Total revenue	3,289	-

The Group have entered into standard forward exchange contracts to secure revenue in USD with a principal amount of USD 4.2 million for the Group. The fair value amounts to DKK 584 thousand for the Group.

Geographically, revenue is allocated on the basis of the registered office of the company as follows:

	Group	Parent
DKK'000	2023	2023
Europe	1,520	-
Asia	1,700	-
Other markets	69	-
Total	3,289	-

3 Other external costs

Fees for the auditor appointed by MBEB Holding ApS and network firms for the Group amounts to DKK 124 thousand for the statutory audit, DKK 0 thousand for other assurance statements, DKK 1 thousand for tax advice and DKK 1,884 thousand for other services.

4 Staff costs

	Group	Parent
DKK'000	2023	2023
Wages and salaries	2,225	-
Pensions	112	-
Other social security costs	34	-
	2,371	-
Average number of full-time employees	2	-

Remuneration of the Executive board and the Board of Directors are not separated into categories in accordance with section 98b(3) of the Danish Financial Statements Act. The total remuneration of the Executive Board and the Board of Directors amounts to DKK 139 thousand.

Consolidated financial statements and parent company financial statements

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5 Intangible assets

DKK'000	Group				Total
	Goodwill	Customer relationship	Order Backlog	Software	
Cost at 13 December 2023	-	-	-	-	-
Acquired through business combinations	247,058	45,630	34,748	30,679	358,115
Cost at 31 December 2023	247,058	45,630	34,748	30,679	358,115
Amortisation and impairment losses at 13 December 2023	-	-	-	-	-
Amortisation	169	45	-	92	306
Amortisation and impairment losses at 31 December 2023	169	45	-	92	306
Carrying amount at 31 December 2023	246,889	45,585	34,748	30,587	357,809
Amortised over	10 years	7 years	3-15 years	3-5 years	

Rationale for selecting goodwill amortisation periods

The Company's investment in the group entities is considered to be strategically important to the Group. Taking into consideration the Group's expected plans to increase the level of activity and earnings, the economic life of goodwill has been set at 10 years.

Completed development projects

Software includes completed development projects which relates to development of IT platforms and software. In Management's opinion, the development progressed as planned. The completed development projects consist of several IT platforms and software which is mainly used internally. The projects are amortised over 3-5 years.

Management has not identified any indication of impairment in relation to the carrying and assessed that there are no indications of impairment in relation to the IT platforms.

6 Property, plant and equipment

Operating equipment, cars and furniture

DKK'000	Group
Cost at 13 December 2023	-
Acquired through business combinations	4,689
Cost at 31 December 2023	4,689
Depreciation and impairment losses at 13 December 2023	-
Depreciation	4
Depreciation and impairment losses at 31 December 2023	4
Carrying amount at 31 December 2023	4,685
Depreciated over	3-5 years

Consolidated financial statements and parent company financial statements

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7 Equity investments in group entities

DKK'000	Parent
Cost at 13 December 2023	-
Additions	100,000
Cost at 31 December 2023	100,000
Carrying amount at 31 December 2023	100,000

Name and registered office	Voting rights and ownership
MB Shipbrokers Invest ApS, Denmark	100%
MB Shipbrokers 24 A/S, Denmark	100%
MB Shipbrokers Komplementar A/S, Denmark	100%
MB Shipbrokers K/S, Denmark	100%
Maersk Broker Korea Limited, Korea	100%
MB Shipbrokers Holding A/S, Denmark	100%
Maersk Broker Asia Limited, Hong Kong	100%
Kennedy Marr Group Ltd., United Kingdom	100%
Maersk Broker India Private Limited, India	100%
Kennedy Marr Ltd, United Kingdom	100%
Maersk Broker (Shanghai) Limited, China	100%
Kennedy Marr Offshore (Singapore) Pte. Ltd., Singapore	100%
Maersk Broker (UK) Ltd., United Kingdom	100%
MB Shipbrokers Advisory Services A/S, Denmark	100%
Maersk Broker Hellas Ltd., Greece	100%
Maersk Broker Norway AS, Norway	100%
Maersk Broker Middle East DMC EST, United Arab Emirates	100%
MB Shipbrokers Bulk Chartering A/S, Denmark	100%
Maersk Broker Bulk Chartering Asia Ltd., Hong Kong	100%
Maersk Broker America Inc., United States of America	100%
Wonsild Dry ApS, Denmark	100%
Maersk Broker Bulk Chartering Inc., United States of America	75%

All group entities are independent entities.

8 Tax on profit for the year

DKK'000	Group	Parent
	2023	2023
Current tax for the year	82	-
Deferred tax adjustment for the year	-22	-8
	60	-8

9 Long-term receivables

DKK'000	Group	Parent
	2023	2023
Amount falling due for payment more than one year after the financial year end	4,221	-

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10 Deferred tax assets

	Group	Parent
DKK'000	2023	2023
Deferred tax at 13 December 2023	-	-
Acquired through Business combinations, net	2,430	-
Deferred tax adjustment for the year	22	8
Deferred tax at 31 December	<u>2,452</u>	<u>8</u>
Deferred tax is recognised in the balance sheet as follows:		
Deferred tax assets	14,448	8
Deferred tax liabilities	-11,996	-
Deferred tax at 31 December	<u>2,452</u>	<u>8</u>

Based on the budgets for the coming years, Management considers it likely that there will be future taxable income against which unutilised tax losses and tax deductions can be offset.

11 Prepayments

Prepayments in the Group primarily include prepayment of operating expenses incurred in subsequent years, including rent, education, insurance etc. Of this, all costs are expected to be expensed in 2024.

12 Non-current liabilities other than provisions

Non-current liabilities other than provision fall due between one to five years from the balance sheet date.

13 Proposed distribution of profit for the year

	Parent
DKK'000	2023
Retained earnings	-158
	<u>-158</u>

14 Contingent liabilities, guarantees, etc.

The Group has entered into agreements on leasing and leasing of operating equipment and buildings, etc. The total liability for the Group DKK 29,881 thousand and falls due continuously until the year 2030.

The Group is a party to a few ongoing legal disputes, which are considered normal in view of the Group's activities and which are not expected to have a significant impact on the Parent Company or the Group.

The Parent Company is jointly taxed with other Danish group entities. As administration company, the Company has unlimited joint and several liability, together with the other group entities, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the entities' liability will increase. The Group as a whole is not liable to any third parties.

Consolidated financial statements and parent company financial statements

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15 Related parties

MBEB Holding ApS' related parties comprise the following:

Significant influence

C. Devantier Holding ApS, Strandvejen 188G, 2920 Charlottenlund, Denmark
 AH HoldCo ApS, Furesøvej 88, 2830 Virum, Denmark
 Claus Riis Plougmand, 21 Keppel Bay View, #05-67 Reflections at Keppel Bay, 098413 Singapore
 HELI 24 ApS, Rundholtsvej 28, 15. 3, 2300 København S, Denmark
 Anne Brown Pade, Bybjerggård 20, 3060 Espergærde, Denmark

The above related parties hold significant influence in the Parent Company through ownership and management positions.

Related party transactions

Apart from remuneration to the Executive Board and the Board of Directors as disclosed in note 4 and loan from parent company to its subsidiary of DKK 50 million, no other transactions were carried out with related parties during the year.

16 Notes related to the statement of cash flows

	<u>Group</u>
DKK'000	<u>2023</u>
Changes in working capital	
Change in receivables from sale of services	-3,368
Changes in other receivables	-2,568
Change in suppliers of goods and services	835
Change in other debts	<u>8,484</u>
Change in working capital	<u>3,383</u>
Other adjustments of non-cash operating items	
Other non-cash items, including exchange adjustments non-cash items etc.	<u>-3</u>
Total other adjustments of non-cash operating items	<u>-3</u>

17 Acquisition of group entities and activities

On 29 December 2023, the Group acquired 100% of the shares in MB Shipbrokers K/S and MB Shipbrokers Komplementar A/S with a total acquisition price of DKK 540 million.

The Group acquired MB Shipbrokers K/S and MB Shipbrokers Komplementar A/S through a management buy-out.

The deferred tax liability mainly comprises the tax effect acquired intangible assets.

The goodwill of DKK 247,058 thousand comprises the value of the current workforce and know-how and the expected synergies arising from the acquisition. Goodwill is allocated entirely to the aggregated level, as MB Shipbrokers is considered one cash-generating unit. None of the goodwill recognized is expected to be deductible for income tax purposes.

The acquisition made in 2023 as described above have impacted revenue with DKK 3,289 thousand and profit before tax with DKK 111 thousand on the Group.

Consolidated financial statements and parent company financial statements

Notes

17 Acquisition of group entities and activities (continued)

Acquisition of MB Shipbrokers K/S

The provisional fair values of the identifiable assets and liabilities at the date of the acquisitions were:

DKK'000	Group 2023
Intangible assets	111,057
Property, plant and equipment	4,689
Receivables	85,973
Deferred tax assets	14,433
Cash	371,843
Deferred tax liabilities	-12,003
Tax Payables	-3,104
Provisions	-1,490
Payables	-199,277
Salary related and other liabilities	-79,005
	293,116
Goodwill	247,058
Non-controlling interest	-174
	540,000
Cost	540,000
Amount relating to cash	-371,843
	168,157

18 Subsequent events

No events have occurred after the balance sheet date that materially affect the assessment of the financial statements.