

# **J.P. Ship Holding ApS**

C/O Celsius Shipping ApS Philip Heymans Alle 29, 1., DK-2900  
Hellerup

CVR No 37 58 68 54

## **Annual report for period 1 January - 31 December 2024**

The Annual Report was presented and adopted at the Annual General Meeting  
of the Company on: 2 July 2025

Hellerup 2 July 2025

**Chair of the General Meeting**

Morten Henriksen

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## Company Information

<b>Company</b>	J.P. Ship Holding ApS C/O Celsius Shipping ApS Philip Heymans Alle 29, 1. DK-2900 Hellerup
<b>Central Business Registration No: Registered in:</b>	37 58 68 54 Hellerup
<b>Financial period:</b>	1 January - 31 December 2024
<b>Incorporated:</b>	5 April 2016
<b>Financial year:</b>	9th financial year
<b>Executive Board</b>	Jeppe Jensen
<b>Auditors</b>	PricewaterhouseCoopers  Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup Cvr nr. 33 77 12 31

## **Management's Statement**

The Executive Board have today considered and approved the annual report of J.P. Ship Holding ApS for the financial year 1 January - 31 December 2024.

The annual report is presented 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 financial position at 31 December 2024 and of the results of their operations and the consolidated cash flows for the financial year 1 January - 31 December 2024.

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

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

Hellerup, 2 July 2025

### **Executive Board**

Jeppe Jensen

# Independent Auditor's Report

To the Shareholder of J.P. Ship Holding ApS

## Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024, 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 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of J.P. Ship Holding ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

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

## Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

## **Independent Auditor's Report**

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

## **Independent Auditor's Report**

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, 2 July 2025

### **PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Bo Schou-Jacobsen  
State Authorised Public Accountant  
*mne28703*

Qasam Hussain  
State Authorised Public Accountant  
*mne44159*

## Financial highlights

	2024	2023	2022
	T.USD	T.USD	T.USD
<b>Key figures</b>			
Gross profit/loss	5,361	20,081	15,879
Operating profit/loss	-1,286	15,743	10,978
Net financial income and expenses	3,927	6,555	-488
Profit/loss for the year	2,367	21,809	7,355

### Balance sheet

Total Assets	59,397	60,457	32,895
Total equity	44,917	42,682	22,132

### Empolyees

Average number of full-time employees	12	10	10
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### Key Ratios

Return on assets (%)	3.95	46.72	26.40
Return on equity (%)	5.40	67.30	33.23
Equity ratio (%)	75.62	70.60	67.28

### Return on assets (%):

$$\frac{\text{Profit/loss for the year} * 100}{\text{Average Total Assets}}$$

### Return on equity (%):

$$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$$

### Equity ratio (%):

$$\frac{\text{Total Equity} * 100}{\text{Balance sheet total}}$$

## **Management's Review**

### **The principal activities of the Group**

J.P. Ship Holding Group (J.P. Ship Holding ApS and its subsidiaries) was founded in 2016 when it acquired the shares of JEMIAN Holdings LLC. J.P. Ship Holding Group is a full-service ship owning company focusing on special opportunities and infrastructure-like investments within the maritime industry, and it provides commercial management, corporate management and technical management services to vessels owned in together with selected international partners.

In addition hereto J.P. Ship Holding Group are also minority shareholder in ship-owning entities together with selected international partners.

J.P. Ship Holding Group specialised in developing investment opportunities and subsequent manage investments in various shipping segments.

J.P. Ship Holding Group are managing a total fleet of 24 vessels in operation. Clients of the Group have 10 vessels are under construction, where the Group has entered into management agreements, when the vessels are delivered.

### **Market risk**

2022 was a strong year for the shipping industry in general, and in 2023 the market has somewhat normalized. In 2024, the shipping industry was impacted by the geopolitical tensions around the globe causing vessel rerouting, increased fuel consumption and higher shipping costs.

### **Currency risk**

The group only has limited transactions in DKK and EUR, resulting in very limited currency risk. Currency risk is considered immaterial to the company's operations. Consequently, no specific hedging measures have been implemented in this area.

### **Development in activities**

In 2024, the Group reported a profit before tax of USD 2,641 thousand, a significant decrease compared to USD 22,298 thousand in 2023. This decline was primarily due to a reduction in promote fees received during the year. The 2024 outlook had anticipated a profit in the range of USD 4,000–8,000 thousand; however, actual results fell short of expectations due to the lower promote fee income compared to the prior year. Management considers the result satisfactory.

The financials were impacted by an impairment of USD 1.143 thousands in 2024 compared to USD 2,674 thousands in 2023 related to the financial investments. The impairment was made as a result of divestment of assets in the investment followed by dividend of proceeds from the asset sales.

### **Outlook for 2025**

The company expects a net result of USD 1-5 million before tax in 2025. The expected net result is sensitive to changes in the market rate and currency rates as well as effects from further sales of assets, if any, may also impact the result.

### **Uncertainty relating to recognition and measurement**

There has been no uncertainty regarding recognition and measurement in the Annual Report.

**Effect on the environment**

The Group manages vessels on behalf of owners and in specific cases charters in and out vessels. The Group has established governing policies on key sustainability areas in order for the Group to operate in a responsible manner. However, to a large extent in close cooperation with the vessel owners. The Group has a strong focus on decarbonization and is committed to constantly work to reduce impact on the environment from the operations of our vessels. Among others, the Group has established policies, processes and procedures in order to reduce such incidents to a minimum.

**Unusual events**

The financial position at 31 December 2024 of the Group and the results of the activities and cash flows of the Group for the financial year for 2024 have not been affected by any unusual events.

**Subsequent events**

Reference is made to note 18.

## Income statement 1 January - 31 December

	Note	Group		Parent Company	
		2024	2023	2024	2023
		T.USD	T.USD	T.USD	T.USD
<b>Gross profit/loss</b>		<b>5,361</b>	<b>20,081</b>	<b>-208</b>	<b>-10</b>
Staff expenses	1	-6,647	-4,337	-	-
<b>Operating profit/loss</b>		<b>-1,286</b>	<b>15,743</b>	<b>-208</b>	<b>-10</b>
Income from investments in subsidiaries		-	-	-	14,057
Impairments losses on financial assets	2	-1,143	-2,674	-	-
Financial income	3	5,228	9,518	13	344
Financial expenses	4	-158	-289	-	-148
<b>Profit before tax</b>		<b>2,641</b>	<b>22,298</b>	<b>-195</b>	<b>14,243</b>
Tax on profit/loss for the year	5	-274	-489	30	-140
<b>Profit for the year</b>	6	<b>2,367</b>	<b>21,809</b>	<b>-165</b>	<b>14,103</b>

## Balance sheet 31 December

	Note	Group		Parent Company	
		2024 T.USD	2023 T.USD	2024 T.USD	2023 T.USD
<b>Assets</b>					
Investments in subsidiaries	7	-	-	10,697	10,697
Financial investments	8	1,642	2,786	-	-
<b>Financial assets</b>		<b>1,642</b>	<b>2,786</b>	<b>10,697</b>	<b>10,697</b>
<b>Fixed assets</b>		<b>1,642</b>	<b>2,786</b>	<b>10,697</b>	<b>10,697</b>
Trade receivables		7,407	4,632	-	-
Deferred tax assets	9	92	92	-	-
Receivables from affiliated companies		-	-	346	345
Corporation tax receivable		189	-	189	-
Other receivables		5,443	831	-	2
Prepayments	10	459	77	24	-
<b>Receivables</b>		<b>13,590</b>	<b>5,632</b>	<b>560</b>	<b>347</b>
<b>Cash and cash equivalents</b>		<b>44,165</b>	<b>52,039</b>	<b>214</b>	<b>791</b>
<b>Current assets</b>		<b>57,755</b>	<b>57,671</b>	<b>774</b>	<b>1,138</b>
<b>Total assets</b>		<b>59,397</b>	<b>60,457</b>	<b>11,471</b>	<b>11,835</b>

## Balance sheet 31 December

	Note	Group		Parent	
		2024 T.USD	2023 T.USD	2024 T.USD	2023 T.USD
<b>Liabilities</b>					
Share capital	11	7	7	7	7
Reserve for exchange rate conversion		-511	-359	-	-
Retained earnings		43,463	41,433	11,410	11,613
<b>Equity</b>		<b>42,959</b>	<b>41,081</b>	<b>11,417</b>	<b>11,620</b>
<b>Minority interests</b>		<b>1,958</b>	<b>1,601</b>	-	-
<b>Total equity</b>		<b>44,917</b>	<b>42,682</b>	<b>11,417</b>	<b>11,620</b>
Trade payables		9,837	8,816	-	-
Payable to Group enterprises		-	-	-	16
Corporation tax		333	413	-	199
Other payables		1,314	753	54	-
Deferred income	13	2,996	7,793	-	-
<b>Short-term debt</b>		<b>14,480</b>	<b>17,775</b>	<b>54</b>	<b>215</b>
<b>Debt</b>		<b>14,480</b>	<b>17,775</b>	<b>54</b>	<b>215</b>
<b>Total liabilities and equity</b>		<b>59,397</b>	<b>60,457</b>	<b>11,471</b>	<b>11,835</b>
Contingent liabilities and other financial obligations	16				
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## Statement of changes in equity

### Group

	Share Capital	Retained earnings	Reserve for exchange rate conversion	Equity contribute to shareholders	Minority	Total
	T.USD	T.USD	T.USD	T.USD	T.USD	T.USD
Equity at 1 January	7	41,433	-359	41,081	1,621	42,702
Net profit/loss for the year	-	2,030	-	2,030	337	2,367
Reserve for exchange rate conversion	-	-	-152	-152	-	-152
<b>Equity at 31 December</b>	<b>7</b>	<b>43,463</b>	<b>-511</b>	<b>42,959</b>	<b>1,958</b>	<b>44,917</b>

### Parent Company

	Share Capital	Retained earnings	Total
	T.USD	T.USD	T.USD
Equity at 1 January	7	11,613	11,620
Reserve for exchange rate conversion	-	-39	-39
Net profit/loss for the year	-	-165	-165
<b>Equity at 31 December</b>	<b>7</b>	<b>11,410</b>	<b>11,417</b>

## Cash flow statement 1 January - 31 December

	Note	Group	
		2024 T.USD	2023 T.USD
Result for the year		2,367	21,809
Adjustments	14	-3,596	-5,046
Change in working capital	15	-10,985	14,726
<b>Cash flow from/(used in) operations before financial items</b>		<b>-12,214</b>	<b>31,489</b>
Interest income		1,248	836
Interest expenses		-	-289
<b>Cash flows from/(used in) ordinary activities</b>		<b>-10,966</b>	<b>32,036</b>
Corporation tax paid		-730	-4,046
<b>Cash flow from/(used in) operating activities</b>		<b>-11,696</b>	<b>27,990</b>
Dividends received		3,980	8,548
<b>Cash flows from/(used in) investing activities</b>		<b>3,980</b>	<b>8,548</b>
Dividends paid to minorities		-	-900
<b>Cash flow from/(used in) financing activities</b>		<b>-</b>	<b>-900</b>
<b>Change in cash and cash equivalents</b>		<b>-7,716</b>	<b>35,638</b>
Cash and cash equivalents 1 January		<b>52,039</b>	<b>16,267</b>
Currency adjustments		-158	134
<b>Cash and cash equivalents 31 December</b>		<b>44,165</b>	<b>52,039</b>

## Notes to the Financial Statements

	Group		Parent Company	
	2024	2023	2024	2023
	T.USD	T.USD	T.USD	T.USD
<b>1. Staff expenses</b>				
Wages and salaries	6,577	4,301	-	-
Other social security expenses	70	36	-	-
	<b>6,647</b>	<b>4,337</b>	-	-
Number of average full time employees	12	10	1	1

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

### 2. Impairment losses on financial assets

An impairment of USD 1,143 ( 2023: 2,674) thousand has been recognised in the income statement. The impairment has been recognised due the fair value of the investment being less than carrying amount. The impairment of the investments are mainly related to dividend distributions from the investments cf. note 3.

	Group		Parent Company	
	2024	2023	2024	2023
	T.USD	T.USD	T.USD	T.USD
<b>3. Financial income</b>				
Other interest income	1,248	836	13	-
Exchange rate adjustments	-	134	-	344
Dividend income	3,980	8,548	-	-
	<b>5,228</b>	<b>9,518</b>	<b>13</b>	<b>344</b>

	Group		Parent Company	
	2024	2023	2024	2023
	T.USD	T.USD	T.USD	T.USD
<b>4. Financial expenses</b>				
Interest paid to group enterprises	-	-	-	148
Other financial expenses	-	289	-	-
Exchange rate adjustments	158	-	-	-
	<b>158</b>	<b>289</b>	-	<b>148</b>

## Notes to the Financial Statements

	Group		Parent Company	
	2024	2023	2024	2023
	T.USD	T.USD	T.USD	T.USD
<b>5. Income tax expense/income</b>				
Current tax for the year	286	386	-43	70
Corporate tax previous years	-12	103	13	70
	<b>274</b>	<b>489</b>	<b>-30</b>	<b>140</b>

	Group		Parent Company	
	2024	2023	2024	2023
	T.USD	T.USD	T.USD	T.USD
<b>6. Proposed distribution of profit/loss</b>				
Retained earnings	2,367	21,809	-165	14,103
	<b>2,367</b>	<b>21,809</b>	<b>-165</b>	<b>14,103</b>

	Parent Company	
	2024	2023
	T.USD	T.USD
<b>7. Investments in subsidiaries</b>		
Cost price 1 January	10,697	10,697
Cost price 31 December	<b>10,697</b>	<b>10,697</b>
<b>Carrying amount 31 December</b>	<b>10,697</b>	<b>10,697</b>

Investment in subsidiaries are specified as followed:

<b>Name</b>	<b>Registered in</b>	<b>Equity value</b>	<b>Ownership %</b>
Jemian Holdings LLC	Marshall Islands	46,062	100%

## Notes to the Financial Statements

	<u>Group</u>
	Financial invest-ments
	T.USD
<b>8. Financial assets</b>	
<i>Cost:</i>	
At 1 January 2024	18,202
Disposals	-12,372
<b>At 31 December 2024</b>	<b><u>5,830</u></b>
<i>Value adjustments</i>	
At 1 January 2024	-15,417
Impairments	-1,143
Disposals	12,372
<b>At 31 December 2024</b>	<b><u>-4,187</u></b>
<b>Carrying amount</b>	<b><u>1,642</u></b>

	<u>Group</u>		<u>Parent Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	T.USD	T.USD	T.USD	T.USD
<b>9. Deferred tax</b>				
At 1 January	92	92	-	-
At 31 January	<b><u>92</u></b>	<b><u>92</u></b>	-	-

### 10. Prepayments

Prepayments comprises of prepaid expenses such as management fee, suppliers and other prepaid expenses.

### 11. Share capital

The share capital consists of 50.000 shares of a nominal value of DKK 1. No shares carry any special rights.

### 12. Long-term debt

No long-term debt falls due after more than five years after the balance sheet date.

## Notes to the Financial Statements

### 13. Deferred income

Prepayments received from customers relates to payments for which the group shall provide services in the coming year on existing contracts.

	Group	
	2024 T.USD	2023 T.USD
<b>14. Cash flow adjustments</b>		
Financial income	-5,228	-9,518
Financial expenses	158	289
Impairment losses on financial assets	1,143	2,674
Other adjustments	56	1,020
Tax on profit/loss for the year	274	489
	<b>-3,596</b>	<b>-5,046</b>

	Group	
	2024 T.USD	2023 T.USD
<b>15. Change in working capital</b>		
Change in trade receivables	-2,775	4,450
Change in other receivables	-4,612	1,569
Change in prepayments	-382	-63
Change in prepayments from customers	-4,797	7,793
Change in trade payables	1,020	423
Change in other payables	561	554
	<b>-10,985</b>	<b>14,726</b>

### 16. Contingent liabilities and other financial obligations

The Danish group companies and foreign group companies with management seat in Denmark are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group's liability.

The group has entered into operational leasing contracts for the rental of office spaces with an average annual lease payment of USD 160 thousands. The lease contracts have a remaining term of 12 months with a total nominal residual lease payment of USD 320 thousands.

The group has entered lease agreements that have a combined duration of 9.38 years with a total payment obligation of USD 347 million. The leased assets have been subleased in the same period, where the group expects to receive lease income of USD 354 million.

## Notes to the Financial Statements

### 17. Related parties

#### Controlling interest

Jeppe Jensen, Margrethevej 21, 2900 Hellerup

#### Basis

Main shareholder with more than 50% of the voting rights.

#### **Transactions**

The Company's intercompany transactions and management remuneration have during the year been entered into at arm's length.

The group consist of the following entities:

<b>Name</b>	<b>Registered in</b>	<b>Ownership</b>
Jemian Holdings LLC	Marshall Islands	100%
Greenheart Capital LLC	Marshall Islands	100%
Greenheart Credit II Aps	Denmark	80%
Greenheart Credit LLC	Marshall Islands	80%
Celsius Shipping LLC	Marshall Islands	100%
Celsius Chemical Tankers LLC	Marshall Islands	100%
Celsius Management SARL	Monaco	94%
JP Tankers Holding LLC	Marshall Islands	100%
Greenheart Tankers Invest LLC	Marshall Islands	100%
Celsius Tankers LLC	Marshall Islands	100%
Celsius LNG Tankers LLC	Marshall Islands	100%
Celsius Tech Holding Inc	British Virgin Islands	51%
Celsius Tech Limited	Hong Kong	100%

### 18. Subsequent events

Celsius Chemical Tankers LLC was closed in the Marshall Island on 5th June 2025.

Beside above no events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Notes to the Financial Statements

### 19. Accounting policy

The Annual Report of J.P. Ship Holding ApS for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium enterprises of reporting class C.

The accounting policies applied remain unchanged from last year. The Consolidated Financial Statements and the Parent Company Financial Statements for 2024 are presented in T.USD (Thousand USD).

The exchange rate between USD DKK at the balance sheet date was 7.14 (2023: 6.89).

### Recognition and measurement

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

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

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

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

### Basis of consolidation

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

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

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

### Translation policies

The United States Dollar is used as the presentation currency. All other currencies are regarded as foreign currencies.

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

## Notes to the Financial Statements

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement. Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date.

Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

### Income statement

#### Revenue

##### *Management Fee*

Management revenue streams include base management fees, incentive fees (including incentive distributions and performance fees), are services which are satisfied over time. Management fees are earned in accordance with contractual arrangements with our funds. Fees are typically equal to a percentage of fee-bearing capital within the respective fund or entity and are accrued quarterly. These fees are earned over the period of time that the management services are provided and are allocated to the distinct services provided by the company during the reporting period.

##### *Service corporate fee*

Service corporate fee revenue stream relates to services not included in the management fee agreement that are performed on behalf of the funds it manages. The revenues arising from these services are recognised on a time spend basis.

#### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

#### Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

#### Other operating income and expenses

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

#### Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the dividend from subsidiaries received for the year.

## Notes to the Financial Statements

### Financial income and expenses

Financial income and expenses comprise dividend income, interest income and expense determined on an amortised cost basis, exchange rate adjustments and impairments of financial assets.

### Tax on profit/loss for the year

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

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with all Danish group companies and foreign group companies with management seat in Denmark. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

### Balance sheet

#### Financial investments

Financial investments are initially measured at cost and subsequently measured at amortised costs. Dividend received from the investments are recognised in the Income statement. Impairments are recognised in the income statement when the investments carrying amount exceeds the recoverable amount.

#### Investments in subsidiaries

Investments in subsidiaries are recognised and measured at cost. Where costs exceeds the recoverable amount, write-down is made to this lower value.

#### Trade and other receivables

Trade and other receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Other receivables consist of VAT.

#### Prepayments (assets)

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

#### Financial liabilities

Loans and payables, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period. Other debts are measured at amortised cost, substantially corresponding to nominal value.

#### Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities. Deferred tax assets and liabilities are offset within the same legal tax entity.

## Notes to the Financial Statements

### Deferred income

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

### Cash Flow Statement

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

#### *Cash flows from operating activities*

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

#### *Cash flows from investing activities*

Cash flows from investing activities comprise cash flows from acquisitions and disposals of fixed asset investments.

#### *Cash flows from financing activities*

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

#### *Cash and cash equivalents*

Cash and cash equivalents comprise Cash at bank and in hand. The cash flow statement cannot be immediately derived from the published financial records.