



Seapeak Maritime Holdings (Denmark) A/S

Kalvebod Brygge 39-41

DK - 1560 Copenhagen

CVR No. 33 24 15 85

Annual report

for the year ended 31 December 2022

Approved at the annual general meeting of shareholders,
on 31 May 2023

.....
Michel Christian Nielsen

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Company details

Seapeak Maritime Holdings (Denmark) A/S
Kalvebod Brygge 39-41
DK - 1560 Copenhagen
CVR No. 33 24 15 85
www.seapeak.com

Board of Directors
Michel Christian Nielsen (Chairman)
Pia Lindberg
Nathan Kim

Executive Board
Ajay Kumar Arora, (CEO)

Auditors
Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK - 2300 Copenhagen S

Statement by Executive Board and Board of Directors on the annual report

Today, the Executive Board and Board of Directors have discussed and approved the annual report of Seapeak Maritime Holdings (Denmark) A/S for the financial year 1 January – 31 December 2022.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and of the consolidated cash flows for the financial year 1 January – 31 December 2022.

In our opinion, the Management's commentary includes a fair review of the matters dealt with in the Management's commentary.

We recommend that the annual report is approved by the annual general meeting of shareholders.

Copenhagen, 31 May 2023

Executive Board:

.....
Ajay Kumar Arora

Board of Directors:

.....
Michel Christian Nielsen (Chairman)

.....
Pia Lindberg

.....
Nathan Kim

Independent auditor's report

To the shareholder of Seapeak Maritime Holdings (Denmark) A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Seapeak Maritime Holdings (Denmark) A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity, notes and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements, and the parent financial statements of Seapeak Maritime Holdings (Denmark) A/S give a true and fair view of the Group and Parent's financial position at 31.12.2022 and of the results of its operations and consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent 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 consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and parent 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and parent 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and parent 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 or Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the consolidated financial statements and parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and parent 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 commentary.

Copenhagen, 31 May 2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Brian Schmit Jensen

State Authorised Public Accountant

Identification No (MNE) mne40050

Financial highlights

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---------|---------|---------|----------|----------|
| Key figures for the Group (in 000'USD) | | | | | |
| Revenue | 32,060 | 31,768 | 33,949 | 33,634 | 33,705 |
| EBITDA | 21,463 | 22,102 | 24,547 | 24,430 | 22,376 |
| EBIT | 13,585 | 14,220 | 16,571 | 16,487 | 14,482 |
| Net financials | (8,222) | (6,656) | (9,075) | (12,251) | (12,171) |
| Profit/(loss) from discontinued operations | 0 | 0 | 101 | (2,006) | (18,333) |
| Net profit/loss for the year | 5,297 | 7,541 | 7,563 | 2,207 | (16,033) |
| Equity at year end | 44,833 | 39,536 | 15,996 | 8,432 | 6,225 |
| Total assets | 173,292 | 177,469 | 182,150 | 243,634 | 278,063 |
| Investments in tangible assets | 1,145 | 2,573 | 39 | 247 | 1,126 |
| Ratios | | | | | |
| EBIT margin | 42,37% | 44.76% | 48.81% | 49.02% | 42.97% |
| Equity ratio | 25,87% | 22.28% | 8.78% | 3.46% | 2.24% |
| Return on equity | 12,56% | 27.16% | 61.92% | 30.12% | -112.58% |

Definition of financial ratios:

EBIT margin: Profit/loss before net financials (EBIT) / Revenue * 100

Equity ratio: Equity / Total assets * 100

Return on equity: Net profit/loss for the year / Average equity in the year * 100

Management's **commentary**

Business activities and mission

Seapeak Maritime Holdings (Denmark) and its subsidiaries ("Seapeak Maritime Holdings (Denmark) Group", "Seapeak Maritime Holdings (Denmark)", or "the Group") is a group with activities to carry out shipping business. Seapeak Maritime Holdings (Denmark) is an active participant in the industry for transportation of Natural Gas Liquids and has commercial control of 3 modern Ethane vessels. The Ethane vessels are operated on long term contracts. Our focus is to make gas transportation simple and safe, and to set new standards for efficient and sustainable gas transportation at sea. Our mission is to excel in the transportation of liquefied gasses, including LNG.

Business review (consolidated)

The Group's result for 2022 is a profit of USD 5.3 million against a profit of USD 7.5 million in 2021. The result is lower than expected mainly due to significant increase in labor on the leasing debt.

The sole unitholder of Seapeak Maritime Holdings (Denmark) has been sold to Seapeak Maritime Operation LLC on 29 December 2022.

The Group's total assets per 31 December 2022 is USD 173.3 million (2021: USD 177.5 million).

The vessels' value (including fixtures and fittings) is the most significant asset value of USD 157.1 million in 2022 (2021: USD 163.9 million) against an interest-bearing leasing debt of USD 120.0 million (2021: USD 131.8 million). As per 31 December 2022, the Group has current assets of USD 11.4 million (2021: USD 11.6 million) against current liabilities of USD 20.0 million (2021: USD 17.3 million).

The Group has cash and cash equivalents of USD 6.0 million as of 31 December 2022 (2021: USD 8.6 million).

The Groups' equity per 31 December 2022 is USD 44.8 million (2021: USD 39.5 million).

Risk factors

The shipping market depends on the worldwide market for vessels. Market conditions for shipping activities are typically volatile and, as a consequence, the result may vary considerably from year to year. The shipping market in broad terms is dependent upon two factors; the supply of vessels and the overall growth in the world economy which affect the demand side. The supply of vessels is a combination of new-buildings, demolition of older tonnage and legislation that limits the use of older vessels or sets new standards for vessels used in specific trades. When the market is weak, the supply side takes much longer time to adjust to the reduced demand for seaborne transportation, and as a consequence, the market will suffer for a period until balance is achieved. From an asset management perspective, high markets will be very liquid in shipping whereas low markets are very illiquid.

In order to limit and curtail such exposure, the Group operates in the niche Ethane segment and has become a leading owner / operator within Ethane transport. The Group's vessels are on long time charters, but the Group still have the counterparty risk and the risk of the residual value.

The Group aims to secure a robust financial platform for its operations.

Presently the Group's mainly only has time charter contracts where the cost of bunker fuel by nature belongs to the Charterer. Otherwise, bunker fuel expenses are sought secured through bunker clauses.

Management's **commentary - continued**

The Group has aimed to secure counterparty risk by entering into long-term contracts with a major chemical company.

The Group's exposure to interest rate risk is related to interest-bearing liabilities. The Group's Management periodically reviews and assesses the interest rate risk and considers hedging of such risk based on various short-and long-term effects on liquidity and results. However, interest hedging also requires a credit line, which was not available for the Group during previous ownership. As per 31 December 2022, no interest risk was hedged. A +/- 1.0 % change in the interest rate would have a +/- USD 1.3 million effect on the profit before tax.

The Group's functional currency is USD as the majority of the transactions are in USD. Currency risks therefore arise in connection with transactions in other currencies than USD. The Group may use financial derivatives to reduce the net operational currency exposure. No derivatives have been entered as per 31 December 2022 as the currency risk is considered relatively low.

Intellectual property

Not considered relevant for the Company/Group

Research and Development

Through its 50 percent ownership in Dan-Unity CO2 A/S, the Group is using its knowledge from being an experienced gas operator, to become part of the Carbon Capture Storage solutions to help to reduce the negative impact of CO2 omission until zero omission solutions have been developed.

Health, safety, environment, and climate

The Group is firm supporter of sustainable model of operations and committed to take actions to reduce environmental impact of its operations. The Group's sustainability model is based on three pillars – Innovative Technology & Environment; Health, Safety & Security (HSS); development of Human resources; and Governance Standards.

Our Employees are at the heart of our operations. Our experienced employees ensure operation is run at an optimum level. Any drop in employee safety standards may have a negative impact on business attractiveness and customer ratings.

In 2022, through Seapeak Maritime (Singapore) Pte Ltd, then known as Evergas Ship Management Pte Ltd, around 490 seafarers and 18 shore based personnel were engaged in running day to day operations with highest standards of safety and quality.

Seapeak Maritime (Denmark) A/S (shore-based staff Copenhagen) experienced 6.3% absence due to illness in 2022 compared to 2.7% in 2021. No illness is work related, as there were zero work-related injuries during 2021 for the seafarers and the shore-based employees.

COVID-19 continued to affect our operations, though to a much lesser extent as compared to 2021. There were sporadic outbreaks of COVID-19 cases onboard, which were managed in the best possible way ensuring safeguarding health and safety of crew and safety of operation. 100% of our crew employed were vaccinated against COVID-19. The protocols were maintained for safety of shipboard operations.

In the office side, the Group followed local regulations and directions in terms of testing and work from home requirements. Despite all the restrictions, the operations were carried out without any interruption.

Management's **commentary - continued**

Most countries relaxed border control measures, resulting in crew change returning to normal. The Group maintained a sharp focus on crew relief and ensured that the majority of crew were relieved within their contract duration.

An in-person sea staff seminar was conducted at Istanbul, Turkey after a gap of 3 years.

Russia-Ukraine conflict affected the crewing operations. Group employs Russian and Ukrainian seafarers and several ships had presence of both nationalities. The crew displayed a great sense of professionalism by not allowing conflict to interfere with onboard harmony and operations. The Group closely monitors compliance with sanctions.

We also held periodic safety review meetings with the major customer, where full review of the health and safety measures was carried out to their satisfaction. Seapeak Maritime (Singapore) Pte. Ltd. maintained ISO 9001: 2015 and ISO 14001: 2015 certifications.

The primary environmental and climate risks arise from fuel consumption and emissions from vessels, while wastewater and accidental spills also present possible risks. Our Environmental Management Manual provides comprehensive guidelines for mitigating the environmental and climate risks arising from vessel operations.

The focus of the Group is to minimize its impact on the environment and climate by reducing the carbon footprint of its vessels. This is achieved mainly by using ethane as fuel for propulsion, which helps to decrease the emissions of CO₂, SO_x, and NO_x in comparison to conventional fuels. Slow steaming is also implemented when there is a delay in the next port, and the Coach performance monitoring system is utilized to analyze consumption patterns and optimize fuel efficiency through measures like hull cleaning, propeller polishing, and engine tuning.

To further support its environmental initiatives, during drydock, the Group has painted a large number of vessel hulls with silicone paint, which improves speed performance and reduces emissions compared to conventional paint. The installation of variable frequency drive (VFD) for sea water pumps and LED lights are also among the initiatives introduced to reduce emissions.

The Group is actively participating in the EU MRV and IMO DCS schemes to report emissions.

Management’s **commentary - continued**

As a result of these operational initiatives and technical innovations, there has been a consistent reduction in vessel emission parameters year on year, as shown in the graphs below.



All vessels operated by the Group are fitted with ballast water treatment system complying with the IMO requirements and USCG approval. The treatment system control introduction of alien invasive species in the area of discharge of ballast water. All our vessels on long haul cross ocean voyages subscribe to weather routing service to choose optimum route. The Group continues to participate in EU MRV and IMO DCS schemes, formulated to report emissions.

The Group maintains an overview of emerging regulations and takes steps to ensure compliance in good time. Environmental regulations are getting stricter and with its modern vessels and innovative mindset, the Group is ready to tackle any challenge.

Human rights and human resources

We consider the primary human rights arising from our business to be related to our employees, whose right to a workplace that is safe and free from discrimination may be negatively impacted by unsafe and discriminatory practices. Failure to minimize this risk may limit our ability to attract and retain talented employees and harm our reputation.

Management's **commentary** – **continued**

The Group Employees are a variety of ages, levels of experience, nationalities, languages and genders. The organization embraces a diversified workforce in which employment, promotions, responsibility and job enrichment are based on qualifications and abilities and not on gender, age, race, political nor religious views. The Group believes in equal opportunity for men and women in the workplace. The shipping business is historically male dominated. Onboard the vessels, the picture remains very traditional close to zero female employment. The lack of female sea staff is, however, purely because there is almost no female staff available for recruitment. Female representation among shore-based employees in the Group is increase from 40% last year to 47% this year. The Group has a policy of zero tolerance towards misconduct and exploitation. We have implemented our policy by distributing it to employees and encouraging their awareness through different forms of communication, including our employee development dialogue. We have also implemented family friendly work arrangements.

We did not identify any violations of employee's human rights in 2022.

Gender composition of management

The Board currently consist of three members, 2 males and 1 female.

Management team consist of 4 leaders, 2 males and 2 female..

The Group generally wants to ensure, that it always is the most qualified person who possesses the position. In this connection it should be mentioned that it is the Group' policy to secure equal opportunities based on qualifications but also to assure that both male and female candidates are considered and identified in connection with internal and external recruitment of employees and managers.

Anti-corruption and bribery

The most significant risk relates to our employees encountering – or themselves engaging in – corrupt practices to gain an advantage. Incidents of corruption can damage not only our business relationships but also our reputation as an ethical business.

The Group has a zero-tolerance policy toward corruption, bribery, fraud, money laundering and extortion. The Group focuses on transparency in its conduct of business, supports free enterprise and seeks to compete in a fair and ethical manner. In addition. Our code of conduct required all employees to conduct themselves with integrity.

To reaffirm our anti-corruption stance, we have joined the Maritime Anti-corruption network (MACN), which is a global business network working towards the vision of a maritime industry free of corruption.

Management's commentary – continued

The Group has an anti-corruption policy, which is applicable to both shore and sea-going employees. This policy is signed by the CEO of the company and reviewed periodically. It is available to all employees either electronically or print copy displayed at work site. Ship staff have been given specific guidance by way of procedure in their Safety Management System. The procedure is reviewed annually. The Group periodically trains its shore-based employees on anti-corruption/ bribery issues through e-Learning.

Unfortunately, we had one incident of violation of our anti-corruption policy, where Master was forced to violate it under duress to avoid threatened actions against vessel.

Data ethics

The Group is to a greater extent using digital solutions and analytical capability of data systems. We commit to handle data in an ethical and appropriate manner, as described in our internal IT policies. These policies outlines principles for data ethics, describing how we collect, handle, store, process and protect data for the benefit of our employees, customers, business partners and other stakeholders.

The Group is committed to safeguard the personal data of our employees and other stakeholders. We have implemented European Union's General Data Protection Regulation (GDPR) practices. Even though not all our employees are EU citizens, the Group decided to use the same data protection policies for all employees in the organization.

Corporate governance

The Group focuses on high ethics, innovation and transparency and a responsible interaction between the Board, Management and stakeholders of the company. The Company's success is profoundly dependent upon internal and external confidence and trust. We believe this is achieved by well-founded business practices, financial performance, and timely and correct communication to the market.

Subsequent events

The below subsidiaries changed its legal name after the end of the reporting period:

With effective from 11 January 2023:

Evergas Ship Management Pte. Ltd. changed name to Seapeak Maritime (Singapore) Pte. Ltd.

With effective from 31 January 2023:

Evergas A/S changed name to Seapeak Maritime Holdings (Denmark) A/S

Evergas Management A/S changed name to Seapeak Maritime (Denmark) A/S

Evergas Shipholding 18 A/S changed name to Seapeak Inspiration A/S

Evergas Shipholding 19 A/S changed name to Seapeak Innovation A/S

Evergas Shipholding 20 A/S changed name to Seapeak Independence A/S

Outlook

2023 is expected to show a net result in the range of USD 2.5 million – USD 3.0 million. The result is affected by the significant increase in libor.

Going concern assessment and subsequent events

For a description of the going concern assessment at 31 December 2022, refer to note 1.

Accounting policies

The annual report of Seapeak Maritime Holdings (Denmark) A/S has been prepared in accordance with the provisions applying to reporting class C large enterprises under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in USD, based on bookkeeping records maintained in USD. The financial statements are presented in USD to match the functional currency of the Group and the Parent Company, which is also USD. The exchange rate between USD/DKK per 31 December 2022 was 6.97 against 6.56 per 31 December 2021.

All group enterprises are presented in USD, based on bookkeeping records maintained in USD.

Foreign currency retranslation

Transactions denominated in foreign currencies are translated into USD at the exchange rates at the date of the transaction.

Monetary items denominated in foreign currencies are translated into USD at the exchange rates at the balance sheet date. Realized and unrealized exchange gains and losses are recognized in the income statement as financial income/expenses.

Consolidation

The consolidated financial statements comprise the Parent company, Seapeak Maritime Holdings (Denmark) A/S, and enterprises in which the Parent - directly or indirectly - holds more than 50% of the voting rights or otherwise has a controlling interest. Enterprises in which the Parent - directly or indirectly - holds between 20% and 50% of the voting rights or otherwise exercise significant influence are considered associates.

Enterprises that are jointly managed by the Group and other enterprises are consolidated on a pro rata basis in the consolidated financial statements, using the same methods as used for the consolidation of group enterprises.

The financial statements of the Group's enterprises are prepared in accordance with the accounting policies applied by the Parent. The consolidated financial statements are prepared on the basis of the financial statements of the Parent and the Group's enterprises by aggregating items of a similar nature.

Intra-group income, expenses, losses, profits and balances are eliminated.

Investments in group enterprises are eliminated with the proportionate share of the net asset value of the group enterprise concerned.

Group enterprises recently acquired or sold are included in the consolidated income statement by reference to the period of ownership.

The purchase method is applied to acquisitions of new enterprises. The cost includes the cash consideration and/or the market price of treasury shares paid as consideration. Purchase consideration conditional on future events is included in the cost at the net present value of the amount expected to be paid. Identifiable assets and liabilities in the acquired enterprises are measured at fair value at the time of acquisition.

Accounting policies - continued

Income statement

Revenue and voyage related expenses

Income is recognized in the income statement when:

- The income generating activities have been carried out on the basis of a binding agreement
- The income can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to the Company
- Costs relating to the transaction can be measured reliably

Revenue comprises charter hire from vessels. Revenue is recognized when or as performance obligations are satisfied by transferring the promised services to the customer, i.e. at a point in time or over time provided that the stage of completion can be measured reliably. Revenue is measured at the consideration that the Company expects to be entitled to.

Other operating income and expenses

Other operating income and expenses include items of a secondary nature relative to the enterprise's core business. Revenue from the sales of services is recognized concurrently with the delivery of the services.

External expenses

External expenses include other operating expenses for the vessels like crewing, insurance, technical expenses and management fees.

Administration expenses

Administration expenses include expenses related to IT, sales and marketing, administration and premises etc.

Employee expenses

Employee expenses include wages and salaries, pension costs and other social security costs.

Accounting policies - continued

Amortization/depreciation non-current assets

Amortization/depreciation include amortization and depreciation of property, plant and equipment. Fixed assets are amortized/depreciated using the straight-line method, based on the cost, less impairment.

Property, plant and equipment is depreciated on a straight-line basis to the residual value, based on the cost, measured by reference to the following assessment of the useful lives:

| | <u>Useful life</u> |
|-------------------------------------|--------------------|
| Vessels | 25 years |
| Drydock | 5 years |
| Other fixtures, tools and equipment | 3-5 years |

Residual values for the vessels are estimated to 6.8 MUSD for each of the LNG vessels and for office equipment it is estimated to nil. The residual value is determined at the time of acquisition based on the market steel price and is reassessed every year.

Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognized. In case of changes in the residual value, the effect on the depreciation charges is recognized prospectively as a change in accounting estimates.

Gains or losses on the sale of fixed assets are recognized in the income statement under 'Gain/loss of sale on non-current assets'.

Share of profit/loss in associated companies

Income from investments in associated companies includes a proportionate share of profit/loss in the respective underlying associates.

Net financials

Financial income and expenses are recognized in the income statement at the amounts that relate to the reporting period. Net financials include interest income and expenses, exchange gains and losses, amortization of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme etc.

Tax

Tax for the year includes current tax on the year's expected taxable income.

The Parent is jointly taxed with all of its Danish group enterprises. The Danish income tax charge is allocated between profit-making and loss-making Danish enterprises in proportion to their taxable income (full allocation method).

The Parent is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends in the group of jointly taxed entities.

The Parent acts as a management company for all the companies encompassed by the joint taxation arrangement, meaning that the Parent is responsible for ensuring that taxes, etc., are paid to the Danish tax authorities.

Accounting policies - continued

Jointly taxed companies entitled to a tax refund are, at a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Tonnage Tax

All Danish vessel owning entities within the Group have entered the Danish Tonnage Tax Scheme, which is binding until 2030.

Balance sheet

Property, plant and equipment

Vessels

Vessels are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the vessels. The cost is split into vessel and docking components.

All separate components are depreciated on a straight-line basis over the useful life of the separate item.

Depreciation is based on cost less the estimated residual value. The residual value of the vessels is estimated as the light-weight tonnage of each vessel multiplied by expected steel price per ton.

The residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year-end.

Components of vessels are derecognized upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss arising on de-recognition of an asset is included in the income statement in the year the asset is de-recognized.

An impairment test is prepared for property, plant and equipment if there are indications of decreases in value. The impairment test is prepared for each individual asset or group of assets, respectively. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

Other fixtures, tools and equipment

Other fixtures, tools and equipment are measured at cost less accumulated depreciation (to the residual value) and accumulated impairment losses.

An impairment test is prepared if there are indications of decreases in value. The impairment test is prepared for each individual asset or group of assets, respectively. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Where the cost exceeds the net realizable value, a write-down is made to such lower value.

Accounting policies - continued

Other financial assets

Other financial assets represent liquidated damages, which are amortized over the life of the underlying contract.

Inventories

Inventories are measured at the lower of cost, measured by reference to the FIFO method, and net realizable value.

Trade and other receivables

Trade receivables and other receivables etc., are measured at the lower of amortized cost and net realizable value, based on an assessment of the individual receivables.

Prepayments

Prepayments recognized under 'Assets' comprise prepaid costs to be expensed in subsequent reporting years.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term bank deposits.

Equity

Dividends proposed for the reporting period are presented as a separate item under 'Equity'.

Income taxes

Current tax charges are recognized in the balance sheet as the estimated tax charge in respect of the expected taxable income for the year, adjusted for tax on prior years' taxable income and tax paid in advance.

Taxable Income is calculated according to the regulations of the Danish Tonnage Tax Act or general tax regulation depending on activity. Shipping activities are taxed on the basis of the net tonnage at disposal.

Financial leases

Leases of vessels where a significant portion of the risks and rewards of ownership are retained by the lessors are classified as operating leases. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Charter hire costs under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant charters. Benefits received as an incentive to enter into an operating lease are recognize as also spread on a straight-line basis over the term of the charters.

Finance leases are capitalized at the commencement of the charters at the fair value of the chartered asset or, if lower, at the present value of the minimum charter hire payments. Charter hire payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognized in finance costs in the statement of profit or loss.

Accounting policies - continued

Financial leases - continued

Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the term of the charters, if there is no reasonable certainty that the Group will obtain ownership by the end of the term of the charters.

Financial liabilities

Financial liabilities are recognized initially at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortized cost, using the effective interest rate method.

Deferred income – non-current liability and current liability

Deferred income recognized as a liability comprises payments received to be recognized as income in subsequent reporting years over the term (firm period) of the time charter agreement.

Other liabilities

Other payables are measured at amortized cost, which, essentially, corresponds to the net realizable value.

Cash flow statement

The cash flow statement shows the enterprise's net cash flows, the year's changes in cash and cash equivalents and the enterprise's cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are presented using the indirect method and are calculated as the net profit or loss for the year, adjusted for non-cash operating items, changes in working capital, paid financial items and paid income taxes.

Cash flows from investing activities comprise payments related to additions and disposals of fixed assets.

Cash flows from financing activities comprise dividends paid to shareholders, capital increases and reductions, proceeds from borrowings and repayments of interest-bearing debt.

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, net of outstanding bank overdrafts which are repayable on demand.

Income statement
1 January – 31 December 2022

| | Notes | Group | | Parent company | |
|---|-------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2022 USD | 2021 USD | 2022 USD | 2021 USD |
| Revenue | 2 | 32,059,541 | 31,768,446 | 0 | 0 |
| Voyage related expenses | | <u>(339,922)</u> | <u>(339,922)</u> | <u>0</u> | <u>0</u> |
| Freight income on T/C basis | | 31,719,619 | 31,428,524 | 0 | 0 |
| Other operating income | 3 | 5,210,996 | 5,062,096 | 0 | 0 |
| External expenses | | (10,167,973) | (10,105,439) | 0 | 0 |
| Administration expenses | | <u>(1,919,629)</u> | <u>(1,523,341)</u> | <u>(471,288)</u> | <u>(63,248)</u> |
| Gross profit/(loss) | | 24,843,013 | 24,861,840 | (471,288) | (63,248) |
| Employee expenses | 4 | <u>(3,379,743)</u> | <u>(2,759,315)</u> | <u>0</u> | <u>0</u> |
| Profit/(loss) before interest, taxes, depreciation and amortization (EBITDA) | | 21,463,270 | 22,102,525 | (471,288) | (63,248) |
| Depreciation non-current assets | 5 | (7,878,061) | (7,882,118) | 0 | 0 |
| Loss on sale of non-current asset | 5 | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Profit/(loss) before financial items (EBIT) | | 13,585,209 | 14,220,407 | (471,288) | (63,248) |
| Income from group enterprises | | 0 | 0 | 0 | 8,000,000 |
| Financial income | 6 | 20,120 | 0 | 38,764 | 65,896 |
| Financial expenses | 7 | <u>(8,242,445)</u> | <u>(6,655,993)</u> | <u>(6,692)</u> | <u>(173,166)</u> |
| Profit before tax | | 5,362,884 | 7,564,414 | (439,216) | 7,829,482 |
| Tax | 8 | <u>(66,074)</u> | <u>(23,864)</u> | <u>5,612</u> | <u>0</u> |
| Net profit for the year | | <u>5,296,810</u> | <u>7,540,550</u> | <u>(433,604)</u> | <u>7,829,482</u> |
| Proposed distribution of profit | | | | | |
| Transferred to retained earnings | | <u>5,296,810</u> | <u>7,540,550</u> | <u>(433,604)</u> | <u>7,829,482</u> |
| Total appropriation | | <u>5,296,810</u> | <u>7,540,550</u> | <u>(433,604)</u> | <u>7,829,482</u> |

Balance sheet

At 31 December

| | | <u>Group</u> | | <u>Parent company</u> | |
|---------------------------------------|----------|---------------------------|---------------------------|--------------------------|--------------------------|
| | Notes | 2022 USD | 2021 USD | 2022 USD | 2021 USD |
| Assets | | | | | |
| Fixed assets | | | | | |
| Vessels and drydock | | 157,132,593 | 163,853,073 | 0 | 0 |
| Other fixtures, tools and equipment | | <u>78,868</u> | <u>91,176</u> | <u>0</u> | <u>0</u> |
| Vessels, drydock and equipment | 9 | <u>157,211,461</u> | <u>163,944,249</u> | <u>0</u> | <u>0</u> |
| Investments in group enterprises | 10 | 0 | 0 | 9,652,648 | 9,652,648 |
| Receivables from group enterprises | 11 | 0 | 0 | 0 | 2,983,961 |
| Other financial assets | 12 | <u>1,613,854</u> | <u>1,953,776</u> | <u>0</u> | <u>0</u> |
| Financial assets | | <u>1,613,854</u> | <u>1,953,776</u> | <u>9,652,648</u> | <u>12,636,609</u> |
| Total fixed assets | | <u>158,825,315</u> | <u>165,898,025</u> | <u>9,652,648</u> | <u>12,636,609</u> |
| Current assets | | | | | |
| Inventories | | <u>909,039</u> | <u>908,869</u> | <u>0</u> | <u>0</u> |
| Receivables from group enterprises | | 5,912,673 | 677,119 | 5,621,610 | 677,119 |
| Other receivables | | 1,201,968 | 1,113,300 | 76,090 | 5,043 |
| Prepayments | 13 | <u>404,890</u> | <u>279,443</u> | <u>0</u> | <u>0</u> |
| Receivables | | <u>7,519,531</u> | <u>2,069,862</u> | <u>5,697,700</u> | <u>682,162</u> |
| Cash and cash equivalents | | <u>6,037,908</u> | <u>8,592,708</u> | <u>1,383,715</u> | <u>3,368,830</u> |
| Total current assets | | <u>14,466,478</u> | <u>11,571,439</u> | <u>7,081,415</u> | <u>4,050,992</u> |
| Total assets | | <u>173,291,793</u> | <u>177,469,464</u> | <u>16,734,063</u> | <u>16,687,601</u> |

Balance sheet - continued
at 31 December

| | Notes | Group | | Parent company | |
|--|-------|---------------------------|---------------------------|--------------------------|--------------------------|
| | | 2022 USD | 2021 USD | 2022 USD | 2021 USD |
| Equity and liabilities | | | | | |
| Equity | | | | | |
| Share capital | 14 | 64,523,306 | 64,523,306 | 64,523,306 | 64,523,306 |
| Accumulated loss | | <u>(19,690,168)</u> | <u>(24,986,978)</u> | <u>(49,369,904)</u> | <u>(48,936,300)</u> |
| Total Equity | | <u>44,833,138</u> | <u>39,536,328</u> | <u>15,153,402</u> | <u>15,587,006</u> |
| Liabilities | | | | | |
| Leasing debt | 15 | 107,983,127 | 120,014,919 | 0 | 0 |
| Deferred income | | <u>507,632</u> | <u>605,775</u> | <u>0</u> | <u>0</u> |
| Long-term liabilities | | <u>108,490,759</u> | <u>120,620,694</u> | <u>0</u> | <u>0</u> |
| Leasing debt | 15 | 12,031,793 | 11,784,073 | 0 | 0 |
| Trade payables | | 933,174 | 642,208 | 176,601 | 0 |
| Payables to group enterprises | | 82,423 | 0 | 974,390 | 1,082,168 |
| Other payables | | 4,140,054 | 2,105,709 | 429,670 | 18,427 |
| Deferred income | 16 | <u>2,780,452</u> | <u>2,780,452</u> | <u>0</u> | <u>0</u> |
| Short-term liabilities | | <u>19,967,896</u> | <u>17,312,442</u> | <u>1,580,661</u> | <u>1,100,595</u> |
| Total liabilities | | <u>128,458,655</u> | <u>137,933,136</u> | <u>1,580,661</u> | <u>1,100,595</u> |
| Total equity and liabilities | | 173,291,793 | 177,469,464 | 16,734,063 | 16,687,601 |
| Going concern and subsequent events | 1 | | | | |
| Security for loans | 17 | | | | |
| Contingent liabilities and other financial obligations | 18 | | | | |
| Fees to the auditors appointed by the General Meeting | 19 | | | | |
| Related parties | 20 | | | | |

Consolidated statement of changes in equity, Group

| | <u>Share capital</u> | <u>Accumulated loss</u> | <u>Total</u> |
|-----------------------|----------------------|-----------------------------|-------------------|
| Equity at 1/1 2022 | 64,523,306 | (24,986,978) | 39,536,328 |
| Transfer for the year | <u>0</u> | <u>5,296,810</u> | <u>5,296,810</u> |
| Equity at 31/12 2022 | <u>64,523,306</u> | <u>(19,690,168)</u> | <u>44,833,138</u> |

Statement of changes in equity, Parent Company

| | <u>Share capital</u> | <u>Accumulated loss</u> | <u>Total</u> |
|-----------------------|----------------------|-----------------------------|-------------------|
| Equity at 1/1 2022 | 64,523,306 | (48,936,300) | 15,587,006 |
| Transfer for the year | <u>0</u> | <u>(433,604)</u> | <u>(433,604)</u> |
| Equity at 31/12 2022 | <u>64,523,306</u> | <u>(49,369,904)</u> | <u>15,153,402</u> |

Consolidated cash flow statement

| | Notes | 2022 USD | 2021 USD |
|---|-------|----------------------------|----------------------------|
| Profit for the year | | 5,296,810 | 7,540,550 |
| Non-cash items, etc. | 21 | 16,408,239 | 14,803,753 |
| Changes in working capital, net | 223 | <u>1,447,709</u> | <u>(540,652)</u> |
| Cash flows from operating activities before net financials | | 23,152,758 | 21,803,651 |
| Interest received | | 20,120 | 0 |
| Interest paid | | <u>(7,479,274)</u> | <u>(6,456,066)</u> |
| Cash flows from operating activities | | <u>15,693,604</u> | <u>15,347,585</u> |
| Additions of vessels and drydock | | (1,138,258) | (2,570,091) |
| Additions of other fixtures, tools and equipment | | (7,016) | (3,333) |
| Proceeds from disposal of vessels and other fixed assets | | <u>0</u> | <u>0</u> |
| Cash flows from investing activities | | <u>(1,145,274)</u> | <u>(2,573,424)</u> |
| Change in intercompany loan | | (5,153,130) | (2,373,673) |
| Repayments, long-term leasing debt | | <u>(11,950,000)</u> | <u>(10,200,000)</u> |
| Cash flows from financing activities | | <u>(17,103,130)</u> | <u>(12,573,673)</u> |
| Net cash flow for the year | | <u>(2,554,801)</u> | <u>200,488</u> |
| Cash and cash equivalents | | | |
| Cash and cash equivalents at 1/1 | | 8,592,708 | 8,392,220 |
| Net cash flow for the year | | <u>(2,554,801)</u> | <u>200,488</u> |
| Cash and cash equivalents at 31/12 | | <u>6,037,908</u> | <u>8,592,708</u> |

Notes

Note 1. Going concern assessment and subsequent events

As per 31 December 2022, the Group's current liabilities exceeded its current assets by million USD 5.5, while the Parent Company have sufficient current assets to support current liabilities.

The Board of Directors has considered the Group's cash flow forecast for a period not less than 12 months from the date of the balance sheet. The current cash flow forecast for 2023 is negative due to step repayment schedule (reflected in the loan to value) and the current high level of libor which affect the interest payments on the financial lease loan. The management have received a financial supportletter from Seapeak LLC which will provide financial support 12 month after signing the financial statement. Based on this review the Board of Directors has concluded that it is appropriate for the Company to continue to apply the going concern principle when preparing the financial statements and there is no material uncertainty related to the above conditions that may cast significant doubt on the ability of the Company to continue as a going concern.

Note 2. Revenue

The Group is carrying out shipping business worldwide. With reference to §96 in the Danish Financial Statements act and for competitive reasons, the Group does not disclose a revenue split into geographic or business segments.

Note 3. Other operating income

| | <u>Group</u> | | <u>Parent company</u> | |
|------------------------|-------------------------|-------------------------|-----------------------|-----------------|
| | 2022 | 2021 | 2022 | 2021 |
| | USD | USD | USD | USD |
| Service fee income | 5,178,061 | 5,035,106 | 0 | 0 |
| Other operating income | <u>32,935</u> | <u>26,990</u> | <u>0</u> | <u>0</u> |
| | <u><u>5,210,996</u></u> | <u><u>5,062,096</u></u> | <u><u>0</u></u> | <u><u>0</u></u> |

Notes

Note 4. Employee expenses

| | <u>Group</u> | | <u>Parent company</u> | |
|-----------------------------|------------------|------------------|-----------------------|-------------|
| | 2022 USD | 2021 USD | 2022 USD | 2021 USD |
| Wages and salaries | 3,060,421 | 2,458,828 | 0 | 0 |
| Pension costs | 180,746 | 180,135 | 0 | 0 |
| Other social security costs | 16,201 | 16,103 | 0 | 0 |
| Other staff costs | 122,375 | 104,249 | 0 | 0 |
| | <u>3,379,743</u> | <u>2,759,315</u> | <u>0</u> | <u>0</u> |

The Board of Directors have not received remuneration in 2021 and 2022. According to the Danish Financial Statements Act § 98b, the total remuneration to the Executive Board is not disclosed.

| | | | | |
|-----------------------------|-----------|-----------|----------|----------|
| Average number of employees | <u>15</u> | <u>14</u> | <u>0</u> | <u>0</u> |
|-----------------------------|-----------|-----------|----------|----------|

Note 5. Depreciation non-current assets

| | <u>Group</u> | | <u>Parent company</u> | |
|----------------------|------------------|------------------|-----------------------|-------------|
| | 2022 USD | 2021 USD | 2022 USD | 2021 USD |
| Depreciation vessels | 7,858,737 | 7,864,268 | 0 | 0 |
| Other fixed assets | <u>19,324</u> | <u>17,850</u> | <u>0</u> | <u>0</u> |
| | <u>7,878,061</u> | <u>7,882,118</u> | <u>0</u> | <u>0</u> |

Notes

| | <u>Group</u> | | <u>Parent company</u> | |
|--|------------------|------------------|-----------------------|----------------|
| | 2022 USD | 2021 USD | 2022 USD | 2021 USD |
| Note 6. Financial income | | | | |
| Interest, group enterprises | 0 | 0 | 34,821 | 51,786 |
| Reversal of write down of receivables from group enterprises | 0 | 0 | | 0 |
| Other interest and currency gains | <u>20,120</u> | <u>0</u> | <u>3,943</u> | <u>14,110</u> |
| | <u>20,120</u> | <u>0</u> | <u>38,764</u> | <u>65,896</u> |
| Note 7. Financial expenses | | | | |
| Interest, group enterprises | 0 | 140,074 | 0 | 156,941 |
| Interest, currency losses and similar expenses | <u>8,242,445</u> | <u>6,515,919</u> | <u>6,692</u> | <u>16,225</u> |
| | <u>8,242,445</u> | <u>6,655,993</u> | <u>6,692</u> | <u>173,166</u> |
| Note 8. Tax | | | | |
| Adjustment to previous years income tax | (33,247) | (25,394) | 5,612 | 0 |
| Corporate income tax | <u>(32,827)</u> | <u>1,530</u> | <u>0</u> | <u>0</u> |
| | <u>(66,074)</u> | <u>(23,864)</u> | <u>5,612</u> | <u>0</u> |

Notes

Note 9. Vessels, drydock and equipment Group

| | <u>Vessels and drydock</u> | <u>Other fixed assets</u> | <u>Total</u> |
|---------------------------------|--------------------------------|-----------------------------------|---------------------------|
| Cost | | | |
| Balance at 1/1 | 202,721,758 | 141,010 | 202,862,768 |
| Additions in the year | 1,138,258 | 7,016 | 1,145,273 |
| Disposals in the year | <u>(1,200,000)</u> | <u>(4,567)</u> | <u>(1,204,567)</u> |
| Cost at 31/12 | <u>202,660,016</u> | <u>143,459</u> | <u>202,803,475</u> |
| Depreciation | | | |
| Balance at 1/1 | 38,868,686 | 49,834 | 38,918,519 |
| Depreciation in the year | 7,858,737 | 19,324 | 7,878,061 |
| Disposals in the year | <u>(1,200,000)</u> | <u>(4,567)</u> | <u>(1,204,567)</u> |
| Depreciation at 31/12 | <u>45,527,423</u> | <u>64,591</u> | <u>45,592,013</u> |
| Carrying amount at 31/12 | <u>157,132,593</u> | <u>78,868</u> | <u>157,211,461</u> |

The parent company owns no fixed assets. The Group has assets on a finance lease basis of USD 157,132,5934 as of 31/12 2022.

Notes

Note 10. Investments in group enterprises

Parent company

| | <u>Total group enterprises</u> |
|---------------------------------|--------------------------------|
| Cost | |
| Balance at 1/1 | 9,652,648 |
| Addition | <u>0</u> |
| Cost at 31/12 | <u>9,652,648</u> |
| Write-downs | |
| Balance at 1/1 | 0 |
| Write-downs at 31/12 | <u>0</u> |
| Carrying amount at 31/12 | <u>9,652,648</u> |

| Group enterprises | <u>Domicile</u> | <u>Currency</u> | <u>Nominal Capital</u> | <u>Interest (%)</u> | <u>Equity USD</u> | <u>Profit/loss USD</u> |
|--|------------------------|------------------------|-------------------------------|----------------------------|--------------------------|-------------------------------|
| Seapeak Maritime (Denmark) A/S | Denmark | USD | 89,484 | 100 | 349,984 | 186,111 |
| Seapeak Inspiration A/S | Denmark | USD | 3,247,707 | 100 | 11,192,484 | 2,170,920 |
| Seapeak Innovation A/S | Denmark | USD | 3,312,707 | 100 | 10,268,076 | 1,803,567 |
| Seapeak Independence A/S | Denmark | USD | 2,899,128 | 100 | 11,106,787 | 3,542,407 |
| Seapeak Maritime (Singapore) Pte. Ltd | Singapore | USD | 100,000 | 100 | 506,064 | 13,688 |
| Dan-Unity CO2 A/S | Denmark | USD | 76,206 | 50 | 41,982 | (34,223) |

Note 11. Receivables from group enterprises

Parent

There are no long-term balance as per 31 December 2022.

Note 12. Other financial asset

Other financial asset as at 31 December 2022 of USD 1,613,854 (2021: USD 1,953,776) relates to costs and incentives caused by a delay of the delivery of vessels which are amortized against the charter income over the life of the time charter contracts.

Notes

| | <u>Group</u> | | <u>Parent company</u> | |
|-----------------------------|----------------|----------------|-----------------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| | USD | USD | USD | USD |
| Note 13. Prepayments | | | | |
| Prepaid insurance | 381,498 | 180,761 | 0 | 0 |
| Other prepayments | <u>23,392</u> | <u>98,682</u> | <u>0</u> | <u>0</u> |
| | <u>404,890</u> | <u>279,443</u> | <u>0</u> | <u>0</u> |

Note 14. Share capital

| | 2022 |
|--|-------------------|
| | USD |
| Analysis of the Company's share capital, USD 64,523,306: | |
| 374,846,261 shares of DKK 1 | <u>64,523,306</u> |

Apart from the incorporation, there have been a capital increase from debt conversion in October 2010 of DKK 198,375,000, a capital increase from debt conversion in July 2015 of DKK 74,556,061, a capital increase from debt conversion in March 2021 of DKK 75,028,800 and a capital increase from debt conversion in December 2021 of DKK 26,386,400.

Note 15. Long/short-term liabilities

Group

Breakdown of certain liabilities by long-term and short-term liabilities:

| | Falling due between 1 and 5 years | Falling due after more than 5 years | Total long-term liabilities at 31/12 2022 | Falling due within 1 year | Total |
|--------------|--|--|--|--------------------------------------|--------------------|
| Leasing debt | <u>107,983,127</u> | <u>0</u> | <u>107,983,127</u> | <u>12,031,793</u> | <u>120,014,920</u> |
| | <u>107,983,127</u> | <u>0</u> | <u>107,983,127</u> | <u>12,031,793</u> | <u>120,014,920</u> |

Note 16. Deferred income

Deferred income includes prepaid hire from customers covering periods after 31 December 2022.

Note 17. Security for loans

The vessels have been leased under long-term bareboat charters effective upon delivery. All shares in Seapeak Inspiration A/S, Seapeak Innovation A/S and Seapeak Independence A/S are pledged as security for leasing debts. Book value of the pledged shares is USD 9,459,542.

Notes

Note 18. Contingent liabilities and other financial obligations

| | 2022 USD'000 | 2021 USD'000 |
|--|-----------------|-----------------|
| Rent payments | 1,614 | 2,377 |
| Payments under other operating leases | 112 | 205 |
| Payments regarding Technical Management agreements | <u>777</u> | <u>762</u> |
| | <u>2,503</u> | <u>3,344</u> |

As at 31 December 2022, the Group has no tax liability that is not included in the financial statements.

As at 31 December 2022, Seapeak Maritime Holdings (Denmark) A/S is guarantor for obligations, liabilities and performance of time charter contracts entered into by subsidiary companies in the Group and sister companies in the Greenship Gas Trust Group. The Management has assessed the amount of the guarantee as per 31 December 2022 to be USD Nil as the vessels covered by the guarantee are expected to generate positive cash flows from their operations.

Note 19. Fees to the auditors appointed by the General Meeting

| | <u>Group</u> | | <u>Parent company</u> | |
|----------------------------------|---------------|---------------|-----------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| | USD | USD | USD | USD |
| Fee for statutory audit Deloitte | 36,416 | 44,420 | 17,580 | 24,938 |
| Fee for other services | <u>4,189</u> | <u>9,371</u> | <u>2,234</u> | <u>7,000</u> |
| | <u>40,605</u> | <u>53,791</u> | <u>19,814</u> | <u>31,938</u> |

Note 20. Related parties

Greenship Gas Trust holds the entire share capital of the entity.

The Company is included in the consolidated financial statements of the largest and smallest group:

Seapeak LLC, Ajeltake Road, Ajeltake Island, Majuro MH96960, Marshall Islands

Jaccar Holding SAS, Montée de l'Université, Rue Joseph Biaggi CS 70329, 13331 Marseille

Greenship Gas Trust, 60 Paya Lebar Road, #08-29 Paya Lebar Square, Singapore 409051

Related party transactions

| | 2022 USD | 2021 USD |
|------------------------------------|-------------|-------------|
| Group | | |
| Interest expenses | 0 | 140,074 |
| Receivables from group enterprises | 5,912,672 | 677,119 |
| Payables to group enterprises | 82,423 | 0 |
| Parent company | | |
| Management fee (expense) | 20,000 | 20,000 |
| Interest income | 34,820 | 51,786 |
| Interest expenses | 0 | 156,941 |
| Receivables from group enterprises | 5,621,612 | 3,661,080 |
| Payables to group enterprises | 974,390 | 1,082,168 |

Transactions with the Executive Board comprising remuneration have all been made on arm's length basis. No remuneration has been paid to the Board of Directors.

Notes

Note 21. Non-cash items, etc., cash flow statement

| | 2022 | 2021 |
|--|--------------------------|--------------------------|
| | USD | USD |
| Depreciation and loss from disposal of asset | 7,878,061 | 7,882,118 |
| Changes in other non-current assets | 339,922 | 339,922 |
| Changes in other non-current liabilities | (98,143) | (98,144) |
| Financial expenses | 8,242,445 | 6,655,993 |
| Financial income | (20,120) | 0 |
| Tax for the year | <u>66,074</u> | <u>23,864</u> |
| Total non-cash items | <u><u>16,408,239</u></u> | <u><u>14,803,753</u></u> |

Note 22. Changes in working capital, cash flow statement

| | 2022 | 2021 |
|---|-------------------------|-------------------------|
| | USD | USD |
| Changes in receivables | (214,115) | (100,779) |
| Changes in inventories | (170) | (3,107) |
| Changes in trade payables | 290,966 | (26,250) |
| Changes in other payables | <u>1,371,028</u> | <u>(410,516)</u> |
| Total changes in working capital | <u><u>1,447,709</u></u> | <u><u>(540,652)</u></u> |

| | <u>Group</u> | | <u>Parent company</u> | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | USD | USD | USD | USD |
| Note 23. Appropriation of profit | | | | |
| Profit to be appropriated: | | | | |
| Net profit for the year | <u>5,296,810</u> | <u>7,540,550</u> | <u>(433,604)</u> | <u>7,829,482</u> |
| Total appropriation for the year | <u><u>5,296,810</u></u> | <u><u>7,540,550</u></u> | <u><u>(433,604)</u></u> | <u><u>7,829,482</u></u> |