



# ANNUAL REPORT 2023

## Christiania Shipping A/S

Amerika Plads 38

2100 København Ø

Registration no. 40 53 35 16

The Annual General Meeting adopted the Annual Report on 28 June 2024

**Chairman of the General Meeting**

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Name: Morten Berggreen

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## Key figures

USD '000	2023	2022	2021	2020	2019
<b>INCOME STATEMENT</b>					
Net freight income	136.522	156.978	90.395	86.976	88.496
Time charter equivalent earnings	94.586	97.348	51.123	54.162	54.216
Operating profit before depreciations etc. (EBITDA)	42.661	50.669	7.125	8.370	4.634
Depreciations, write-downs and gains/losses*	32.150	-5.156	-5.983	-5.414	-4.513
Operating profit (EBIT)	74.811	45.513	1.143	2.974	135
Net financials	-6.082	-5.618	-3.872	-2.520	-2.417
Profit for the year	68.783	39.994	-2.804	582	-2.500
Profit for the year excl. impairment reversals	28.095	39.994	-2.804	582	-2.500
<b>BALANCE SHEET</b>					
Total assets	203.560	140.328	80.554	66.909	71.464
Equity	92.044	46.760	3.410	6.196	3.114
Invested capital	163.350	70.414	62.680	53.055	61.927
Net working capital	1.033	-17.121	-834	-1.069	3.308
Net investments in tangible assets	-33.082	-42.602	-202	-900	-10.226
Net interest-bearing debt	92.066	80.171	59.601	35.000	38.700
Cash and cash equivalents	25.183	26.306	5.450	3.209	3.315
<b>CASH FLOW</b>					
Cash flow from operating activities	44.265	35.497	3.827	2.637	8.195
Cash flow from investing activities	-33.082	-42.602	-202	-900	-10.226
Cash flow from financing activities	-12.846	28.494	-2.248	-2.871	341
Net cash flow of the year	-1.663	21.389	1.377	-1.134	-1.690
<b>EMPLOYEES</b>					
Seafarers	247	211	188	184	208
Land based employees	24	22	21	15	15
<b>FINANCIAL AND ACCOUNTING RATIOS</b>					
TCE-margin (%)	69,3%	62,0%	56,6%	62,3%	61,3%
EBITDA-margin (%)	31,2%	32,3%	7,9%	9,6%	5,2%
EBIT-margin (%)	54,8%	29,0%	1,3%	3,4%	0,2%
Return on Invested Capital (%)	52,2%	143,9%	22,7%	31,6%	15,0%
Return on Equity (%)	74,7%	85,5%	-82,2%	9,4%	-80,3%
Equity ratio	1,00	1,71	17,48	5,65	12,43
<b>OTHER</b>					
Number of owned vessels	17	14	12	13	14
Number of TC vessels	1	5	4	5	5
Total number of vessel days	6.426	6.743	6.570	6.692	6.909
Average TCE	14.719	14.437	7.781	8.094	7.847

\* Including reversal of previous years impairments of USD 41.2 million.

Key figures presented in the table above for the years 2019 and 2020 is based on figures for the parent company Christiania Shipping A/S.

# Board of Directors Report

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2023 ended up as a satisfying year for Christiania Shipping A/S.

The Group reported:

- EBITDA USD 42.7 million (2022: USD 50.7 million)
- Net profit USD 68.8 million was positively affected by reversal of previous years impairment of USD 40.7 million (2022: USD 40.0 million)

The firm market for small chemical carriers continued into 2023, although the average TC rates obtained for

the second half of the year was somewhat weaker than for the first part of the year.

In 2023, the Group acquired three vessels. Additionally, the Group invested in two newbuilding 13,000 dwt stainless steel chemical vessels with delivery in 2025 and 2026.

The Group amended the existing loan agreement with NIBC as well as re-financed two vessels through bareboat arrangements.

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## Business review

Christiania Shipping A/S, previously Herning Shipping A/S, is a specialized chemical vessel-owning and chartering company established in 1972, with roots back to 1963.

Herning Shipping A/S was acquired by Eitzen Avanti AS (formerly ANE Shipping AS) in 2018 and following the acquisition the Company was renamed to Christiania Shipping A/S. The headquarter is in Copenhagen, Denmark.

The core competence of Christiania Shipping is to own and charter sophisticated chemical tankers between 3,500 - 13,000 dwt with highest focus on safety and quality.

Christiania Shipping has a leading position in trade niches and the vessels are trading in the Atlantic Ocean, Europe, West Africa and the Mediterranean.

As of 31 December 2023, the Group's fleet consisted of 18 stainless steel and Marline-Line coated vessels ranging from 3,500 - 12,000 dwt, of which 17 vessels owned and one vessel on time charter.

## Organization

The Group's administration is in Copenhagen. At the end of 2023 the Group employed 24 full time staff. The sick leave during 2023 was 110 days of the total working days mainly due to long-term illness (0 days in 2022). The Group has not been affected by serious work-related accidents during the year. As per December 2023, 8 out of 24 employees were female (33%). The organization is considered to be well-qualified to perform the tasks within its remit.

## Strategic focus

Safety is Christiania Shipping's first and foremost priority and it is an integral part of Christiania Shipping's vision, mission, strategy and values. The Group's overall strategic focus is:

- Develop a safety culture with a target of zero accidents
- Optimize and develop the existing business platform
- Expand and renew the fleet
- Continue the consolidation within the chemical tanker segment and generate profitable growth

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## Management

### Board of Directors

The Board of Directors of Christiania Shipping A/S consists of three members with solid Management experience. The Board has a reasonable size, composition and the competences necessary to ensure that they at any given time are qualified to attend to the managerial tasks as the upper Management body of the Group.

In 2023 the Board of Directors consisted of:

- Axel Camillo Eitzen, Chairman

- Fridtjof Camillo Eitzen
- Axel Stove Lorentzen

From 1 January 2023, Fridtjof C. Eitzen commenced as CEO of the Company, while Axel C. Eitzen was elected as chairman of the Board from 1 January 2023.

The Executive Management in 2023 consisted of Fridtjof C. Eitzen (CEO), Snorre Krogstad (CFO), Torben Larsen (COO), Rune Eriksen (COM) and Anne Sofie Reimann (CARO).

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## Market

### Rates

After several challenging years in the small chemical market segment, the market has finally improved to a very satisfactory market in 2022.

The TC rates for small chemical vessels continued to be firm in 2023 and started about USD 18,000 per day for the Christiania fleet. The market was firm the first half year with a weakening tendency in the second half of the year. The average TC rate for the fleet for the full year was USD 15,797 per day.

Total idling days for the fleet in 2023 was 156 days corresponding to 2.4% compared to 2.1% in 2022.

### Supply

The primary market for Christiania Shipping is the small chemical tanker vessel size (1,000 – 9,999 dwt) and medium chemical tanker vessel size (10,000 – 18,000 dwt).

The world-wide small chemical fleet market (< 10,000 dwt) consists of about 1,440 vessels. 33 vessels were delivered in 2023, while three vessels were removed

corresponding to a net growth of about 2.3%.

23% of the trading fleet is over 20 years of age while 30% is 15-19 years and only 12% is less than 5 years. The orderbook for 2024 is scheduled at 53 vessels. Due to the age profile of the fleet, removals are expected to increase going forward, and the net fleet growth is estimated to be 3.1% in 2024 and 1.0% in 2025.

The world-wide medium (10,000 – 18,000 dwt) chemical fleet market consist of about 845 vessels. 8 vessels were delivered in 2023, while one was removed corresponding to a net growth of about 0.9%.

15% of the trading fleet is over 20 years of age while 48% is 15-19 years and only 7% is less than 5 years. Based on the anticipated removals and the current orderbook, a fleet growth of 1.6% is estimated in 2024 and 0.2% is estimated in 2025.

Supply and demand in the small chemical vessel segment is a thin line where as few as 20-30 vessels can make the difference between a slow market and a good market.

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## Subsequent events

5 March 2024 Christiania Shipping acquired Sigaia Theresa from the BB owners.

28 April 2024 Christiania Shipping took delivery of the 12,000 dwt stainless steel 2019 built vessel Julia Theresa on a 10 year BB agreement.

14 May 2024 Christiania Shipping sold the 2009 built 8,000 dwt vessel Annelise Theresa.

31 May 2024 the shares in Christiania Shipping A/S was contributed to Christiania Holding A/S as a non-cash contribution.

4 June 2024 Christiania Shipping sold the 2009 built 13,000 dwt vessel Diana Theresa.

See also subsequent events disclosures in note 27.

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## Financial highlights of the Company in 2023

### Profit and loss

For the full year 2023 Christiania Shipping's time charter equivalent earnings was USD 94.6 million (USD 97.3 million in 2022). The reduction reflects the decrease in number of vessel trading days, 6,426 days in 2023 compared to 6,743 days in 2022, as a result of re-delivery of vessels on TC in. The reduction in number of vessel days is partly offset by an increase in TCE (Time Charter Equivalent) from USD 14,437 per day in 2022 to USD 14,719 per day in 2023. Total number of off-hire and idling days were 391 in 2023 compared to 339 in 2022.

The vessel operating expenses amounted to USD 32.6 million (USD 27.6 million in 2022) corresponding to an average daily operating cost per vessel of USD 6,215 per day compared to USD 5,321 per day in 2022. The increase reflects a general increase in the crew cost, inflation as well as some additional maintenance cost related to the acquisition of vessels. TC expenses for the year was USD 11.6 million (USD 13.9 million in 2022). The decrease reflects re-delivery of vessels on TC during the year resulting in a decrease of TC days from 1,954 days in 2022 to 1,284 days in 2023.

SG&A for the year amounted to USD 7.7 million compared to USD 5.1 million in 2022. The increase is mostly due to increased bonus payments to the land-based employees as well as general price index growth.

EBITDA for the year was USD 42.7 million compared to USD 50.7 million previous year. At the beginning of 2023, the Group guided on an EBITDA of about USD 40 million.

Ordinary depreciation was USD 8.5 million compared to USD 6.3 million previous year. Prior year impairments of USD 40.7 million were reversed.

Financial expenses for the year were USD 7.4 million (USD 6.0 million in 2022). The increase is mostly due to increased debt related to the acquisition of three vessels during the year as well as increase in the SOFR rate during the year. Financial income for the year were USD 1.3 million (USD 0.3 million in 2022). The increase is mostly due to increased interest received on bank deposit as well as interest from intercompany loans.

The Group had a tax income for 2023 of USD 55 thousand, compared to a tax income of USD 99 thousand in 2022.

The Group reported a profit of USD 68.8 million compared to USD 40.0 million in 2022.

### Statement of financial positions

The Group's total assets were USD 203.6 million (USD 140.3 million in 2022). The book value of owned vessels was USD 137.3 million up from USD 72.1 million previous year due to the acquisition of three vessels and

reversal of prior year impairments of USD 40.7 million. Right-of-use assets was USD 13.2 million compared to USD 14.0 million.

The Group has invested in two newbuildings to be delivered in 2025 and 2026. The Group will pay for the two first installments, while the remaining installments are financed through BB agreements. Other financial assets amounted to USD 8.3 million reflecting the first installments on above mentioned newbuildings. The newbuilding contract is in JPY while the financing is in USD. In order to hedge the currency exposure, the Group has acquired a USD / JPY option. As per 31 December 2023, derivatives amounted to USD 1.2 million.

Inventories was USD 3.6 million compared to USD 3.5 million last year. Trade receivables was USD 8.9 million compared to USD 13.4 million last year. Prepayments were USD 2.5 million compared to USD 3.4 million last year.

Restricted cash accounts related to the bank loan with NIBC, was USD 2.5 million compared to USD 2.3 million previous year, the increase is related to increased number of vessels in the fleet financed by the bank. Cash at the end of the year was USD 22.7 million compared to USD 24.1 million last year.

The Group's equity amounted to USD 92.0 million compared to USD 46.8 million last year.

Total long-term liabilities amounted to USD 79.1 million (USD 70.1 million in 2022). Long-term bank loan was USD 29.5 million compared to USD 31.1 million at the end of 2022. In order to finance the acquisition of three vessels at the end of 2023, the Group amended the existing loan agreement with NIBC.

Long-term lease liability was at the end of the year USD 11.9 million compared to USD 12.9 million last year.

As a result of the sale and leaseback financing arrangement of Alice Theresa and Tina Theresa in 2023, long-term financing arrangement liabilities increased to USD 37.6 million from USD 26.0 million in 2022.

Total current liabilities were USD 32.4 million (USD 23.5 million in 2022), of which USD 6.4 million is short-term bank debt (USD 6.5 million in 2022), USD 1.0 million lease liabilities (USD 0.9 million in 2022), USD 5.6 million financing arrangements liabilities (USD 2.7 million in 2022). Trade payables at year end was USD 12.1 million (USD 7.5 million in 2022), payables to parent company was USD 4.0 million (nil in 2022), other payables were USD 1.0 million (USD 1.6 million in 2022) and deferred income USD 2.3 million (USD 4.0 million in 2022).

Current assets of USD 41.2 million exceeds current liabilities of USD 32.4 million and the liquidity is strong.

### **Cash flow**

Cash flow from operating activities was USD 44.3 million (USD 35.5 million in 2022). Cash flow from investing activities was USD -33.1 million (USD -42.6 million in 2022) mainly related to investments in additional vessels during the year. Cash flow from financing activities was USD -12.8 million (USD 28.5 million in 2022), of which USD 17 million is related to sale and leaseback transactions.

Net cash flow was USD -1.7 million (USD 21.4 million in 2022) and cash at the end of the year was USD 22.7 million (USD 24.1 million in 2022).

### **Parent company**

On 31 December 2023, the parent company's total assets amounted to USD 129.4 million (USD 101.2 million in 2022). The parent company equity amounted to USD 58.9 million (USD 46.8 million in 2022). The parent company made a profit of USD 35.6 million (USD 40.0 million in 2022).

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## Outlook for 2024

The market for small chemical tankers is dependent upon the volume of easy chemicals transported by sea, which again is dependent upon several factors including the development in the economy and commodity prices among others. These factors, combined with the supply of chemical vessels, will determine the market going forward.

The demand for chemical vessels was weak for several years due to periods of oversupply of chemical vessels as well as the general impact of covid worldwide. In 2024, the market started with somewhat lower rates and activity than experienced at the peak in 2022 and 2023, but still at a historical firm market environment.

From a historical perspective, the newbuilding orderbook is relatively low for both the 1 - 10,000 dwt segment and 10,000 - 18,000 dwt segment in 2024.

Based on the forecasted fleet growth combined with the anticipated GDP growth, analysts expect the market to continue to be firm in 2024.

However, the market is still dependent upon a continued stable economic environment and a potential recession in Europe will of course impact the small chemical vessel market.

The Group expects continued firm rates and steady volumes in 2024 which we expect will result in EBITDA of about USD 40 million on the basis of the existing fleet.

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## Risk Factors

Being an international player in the chemical tankers segment, Christiania Shipping is exposed to a variety of risks that can affect the Group's result. The risk factors can be divided into the following main risk components:

- Market risk
- Operational risk
- Financial risk

Such risks are normally related to volatility in charter income, charter defaults, unforeseen operational events, operating expenses and unforeseen capital expenditure requirements, fluctuations in interest- and foreign exchange rates, as well as financing risk related to new capital expenditure requirements and refinancing of existing credit facilities.

The Executive Management continuously monitors the risks considered to have the most significant effect on the Group's business performance as well as financial position. Measures deemed relevant to limit the Group's sensitivity to such risks are evaluated on an on-going basis.

### Market risk

Christiania Shipping's revenues are exclusively generated from activities in the oil and chemical tankers industry. The oil and chemical tanker industry is cyclical and volatile, which can lead to reductions in freight rates, volumes transported, and ship values.

Fluctuations in freight rates result from changes in the supply of chemical vessels and demand for seaborne transportation of certain chemicals.

Christiania Shipping mitigates the risk of fluctuation in freight rates to a certain degree, by managing the mix between Contracts of Affreightment (COA) and spot market business. When a vessel is fixed on a "TC out" the rate is fixed and eliminates the volatility, while COA reduces the volatility. Spot market business, on the other hand, provides flexibility but exacerbates the impact of a downturn in the market.

### Operational risk

The Group is focused on delivering strong operational performance for the fleet and is striving towards operational excellence through strict attention on vessel maintenance and through continued education of its staff. Despite the Group's high degree of pre-emptive maintenance and education there is a risk for equipment failure and accidents. Risks related to the operation of the vessels, transport of cargo, personal injuries, environmental damages, and war are covered by insurances in internationally recognized insurance companies. The Group aims at minimizing its exposure by using multiple insurance companies.

The Group has established duplication of business-critical IT systems and contingency plans in case of breakdowns. Back-up of data is made in an external IT environment outside the Group's offices.

Even though the Group obtains loss of hire insurance for contracts over a certain length, a technical breakdown will affect the earnings for a period of at least 14 days (deductible).

#### [Risk related to changes in laws and regulation](#)

The Group's operation and vessels are subject to international environmental laws and regulations which have become more stringent in recent years. Although the Group is doing its utmost to comply, changes in laws and regulations may expose the Group.

#### [Bunkers](#)

Bunker fuel constitutes the major cost component affecting time charter equivalent (TCE) earnings and increasing prices can have a material impact on Christiania Shipping's results.

The Group is striving to reduce the impact of bunker price fluctuations by passing bunker fuel costs on to customers. Hence, in 2023 approximately 40% of freight earnings were derived from COAs, the large majority of which include a bunker price clause that indexes freight rates with bunker prices.

### EU Emission Trading System (ETS)

The EU ETS is a carbon market that uses a cap-and-trade system of emission allowances for energy-intensive industries and the power generation sector. The shipping industry will be subject to the EU ETS, where shipping companies will be required to surrender allowance equivalent to the following amounts in relation to ships above 5,000 GT with calls at EU ports. Allowance will be based on MRV reporting for the previous year and will be verified and confirmed in January and payable latest 1 April:

- 40% of verified emissions reported for 2024
- 70% of verified emissions reported for 2025
- 100% of verified emissions reported for 2026 and each year thereafter

The cost of including shipping in the EU ETS will be significant for the industry. The price of CO<sup>2</sup> quota is estimated to be volatile and difficult to forecast. To level out potential price fluctuations and in order not to be dependent upon acquiring all at one time, Christiania Shipping will buy the quota on a monthly basis in order to match the consumption in best possible manner.

### Financial risk

Investments are typically financed by cash reserves, equity proceeds injected by the shareholders, debt obtained by international banks or international leasing providers. The Group is exposed to financing risk related to potential new investments and refinancing of existing debt.

In July 2022, a 5 year loan was entered into with NIBC. The facility was amended and increased in December 2023, keeping the repayment date in July 2027. The loan agreement includes customary financial covenants. At the end of 2023 the Group was in compliance with all its covenants.

In addition to the bank agreement with NIBC, the Group is utilizing financial leases and sale leaseback arrangements, with purchase options and obligations, to finance vessels. At the end of the year, one vessel was classified as financial lease, corresponding to USD 12.9 million in outstanding bareboat obligations, while

six vessels were classified as financial agreement totaling USD 42.5 million in outstanding bareboat obligations. The average remaining tenor for the 7 vessels on bareboat with purchase obligation was at the end of the 5.2 years.

The Group is dependent upon a stable income in order to be able to pay interest expenses, refinance debt or raise new debt in the future.

### Interest rate risk

The Group's bank loans are generally subject to floating interest rates. For 2023, the Group did not hedge any of its interest rate risk but will evaluate to hedge the exposure going forward. The Group also finances vessels through bareboat contracts with purchase obligations. Five of the BB agreements are based on a fixed bareboat rate. At the beginning of 2023 about 50% of the Group's interest rate exposure was fixed through the bareboat agreement. At the beginning of 2024 about 30% of the Group's interest rate exposure was hedged through fixed bareboat rate.

### Currency risk

The Group pursues a finance policy that ensures that foreign exchange risks arise only on the basis of commercial factors. Most of the revenues earned by Christiania Shipping are in the reporting currency USD as well as EUR. A significant portion of the operating expenses as well as administrative expenses are incurred in primarily EUR and DKK, while BB and other financial expenses (BB rate, interest costs and installments) are in USD. To reduce foreign currency exchange risk on EUR, Christiania Shipping strives to match cash inflows and cash outflows as much as possible. A 10 % fluctuation in the USD/EUR exchange rate would have an approx. 2% impact on time charter equivalent earnings for the Group in 2023.

The Group has entered into a newbuilding contract in JPY and secured financing in USD. In order to minimize the currency exchange risk, the Group has entered into USD/JPY put options on back-to-back basis with the installment plan. The put options limits the downside risk, at the same time as it allows the Group to take advantage of the current favorable USD/JPY exchange

rate.

#### Counterparty risk

It is the Group policy only to grant credit to oil majors and other first-class customers to minimize credit risks. As such, the Group's credit risk relates to receivables from these first-class customers and oil majors in the chemical tanker segment. The credit risk is deemed to be minimal and consequently receivables are not hedged. The Group's maximum credit risk associated with receivables corresponds to their carrying amounts.

For smaller customers and newer customers, it is Group policy to perform a credit assessment based on credit reports retrieved out of the database of one of the world's largest vendors. In most cases, such credit reports include a credit rating and information on potential payment delinquency. Furthermore, it is custom to require freight to be paid before cargo release. For customers with whom Christiania Shipping has a long-lasting relationship, freight is typically paid after cargo release. In 2023, Christiania Shipping did not suffer any significant losses from defaulting customers.

#### Liquidity risk

The shipping market is capital intensive and insufficient liquidity will severely impact the ability to operate. The Group's approach to manage liquidity risk is to ensure, as far as possible that it will always have sufficient liquidity to meet its obligations. Cash flow developments are monitored daily, including monthly updates to the Executive Management. Furthermore, the Group evaluates its capital structure and explores various options to safeguard liquidity. The Group has a minimum liquidity covenant in its credit facility.

In 2024, Christiania Shipping expects to have sufficient liquidity for meeting its payment obligations for conducting the normal course of its operations without needing the support from its shareholder.

## Corporate Social Responsibility (§99a of the Financial Statement Act)

For a short description of our business model, please see page 4 under the Business Review section.

Christiania Shipping will actively initiate and participate in activities related to ESG and will incorporate ESG initiatives in its strategy at any given time. The key focus points of Christiania Shipping are areas related to health & safety, environment & climate and general welfare and training. Christiania Shipping will strive to continuously improve itself in these fields and communicate transparently with stakeholders about results and initiatives.

All of Christiania Shipping's ESG activities emerge from the Group's core business and strategy. The Group is committed to progress in business driven ESG initiatives in order to deliver high quality and 'best in class' services while meeting own and customers' expectations in respect of responsible business practice. Management sees the business driven approach as the only way forward when building a long-term sustainable business, where both the Group and society benefit.

Christiania Shipping's ESG policy is based on the ten guiding principles of the United Nations Global Compact (UNGC) that cover the areas of human & labor rights, environment & climate and anti-corruption as well as the principle of continuous improvement.

The Board of Directors and Executive Management of Christiania Shipping are committed to operate the Group in a responsible manner in order to be sustainable. The aim is to manage the Group in a way that generates long-term profitability in combination with care for the environment, the people involved in our business and the society at large.

The maritime industry is subject to comprehensive global regulations governed by IMO, ISO, regional (e.g. EU) and National bodies and Port States. Increased attention is observed from the larger community including finance through "Poseidon Principles" and EU with "Taksonomi" (sustainable economic activity).

Christiania Shipping follows developments through its

membership in the Danish Shipowners Association and in cooperation with classification societies. Christiania Shipping is responsible through its ownership and chartering of its fleet of chemical vessels but have delegated the day-to-day management and supervision of the vessel to the Technical Managers who are responsible for crew and maintenance of the vessels. Christiania Shipping is evaluating the governance policy of Technical Managers during the selection process and as part of the continuous evaluation of the technical managers.

## Climate change and the environment

### Biodiversity and marine pollution

Christiania Shipping has formulated a Health, Safety and Environment (HSE) policy, which includes working towards a "zero oil spill to sea" by coordination of efforts of those ashore and on-board vessels plus working towards a long-term goal of "zero accidents and incidents" by using KPIs to monitor performance.

### CII and EEXI

The International Maritime Organisation (IMO) is introducing new regulatory standards for ship energy efficiency - the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) - and from 2023 all existing ships must meet new energy efficiency standards. The Carbon Intensity Indicator (CII) measures how efficiently a vessel above 5,000 GT transports goods or passengers and is given in grams of Co2 emitted per cargo-carrying capacity and nautical mile. The CII measurement was initiated as per January 2023. The first reporting of the CII based on 2023 data was due no later than 31 March 2024. Vessels will receive a rating of A (major superior), B (minor superior), C (moderate), D (minor inferior) or E (inferior performance level). The rating thresholds will become increasingly stringent towards 2030. A vessel rated D for three consecutive years or rated as E, will need to develop a plan of corrective actions. From 2024, the CII must be calculated and reported to the DCS verifier together with the aggregated DCS data for the previous year, including any correction factors and voyage adjustments.

Christiania Shipping's internal policy is to keep all vessels under the CII regime on a rating C or above. In 2023, four vessels were rated C, five vessels rated B and three vessels were rated A.

The Energy Efficiency Existing Ship Index (EEXI) is a measure introduced by the IMO to reduce the greenhouse gas emissions of ships. The EEXI is a measure related to the technical design of a ship. Ships have to attain EEXI approval once in a lifetime, by the first periodical survey in 2023 at the latest. The required EEXI value is determined by the ship type, the ship's capacity and principle of propulsion and is the maximum acceptable attained EEXI value. Christiania Shipping vessels not meeting the EEXI requirements will be fitted with ShaPoLi in accordance with regulations prior first periodical survey. The 9 vessels not reaching required EEXI has been fitted with ShaPoLi making all CS vessels complying with EEXI requirements.

Christiania Shipping has initiated all the necessary routines and procedures in order to comply with the CII and EEXI regulations in 2023.

#### Initiatives to reduce Co2 emissions

In order to improve the vessel efficiency, Christiania Shipping has installed Frugal on 12 of its vessels by 31 December 2023. Frugal is an automated on-top system optimizing RPM and pitch, applicable for vessels with controllable pitch propeller (CPP). This technology allows automated fuel and Co2 savings up to 15% and thus helps lower the carbon footprint on the vessels. On vessels with fixed pitch propeller, they system allows the vessel to keep constant consumption, optimizing vessels performance by 3-4%.

Christiania Shipping has decided to apply silicon paint (Hempel X7) on all vessels above 5000 GT due for drydock. In 2023, three vessels were completed, and four vessels is planned in 2024. This will reduce consumption of 10-12% per vessel.

Reverse Osmosis for production of freshwater has been installed on three vessels in 2023 and to be installed on five vessels in 2024. Installing RO will decrease the need to take freshwater from shoreside.

In July 2023, Christiania Shipping entered into co-operation with Signal. Signal are specialized in performance optimization based on behavioral science. The behavior is measured on all reported information extracted via API from StormGeo (performance and reporting system) and B52 (Hub agents and port reporting system). This is an effective way to present the Master and Chief Engineer on board with their performance on various parameters. Each Master and Chief Engineer has 3 KPI's which will increase to 5 KPI's in 2024. Each KPI reached will generate a bonus, divided 50/50 between the vessel welfare chest and charity to "The Ocean Cleanup".

Further, initiatives as below has been decided or already launched by Christiania Shipping in order to limit Co2 emissions.

- Bunker system: Testing
- Power management system: Presently investigation upgrade of vessels pms to lower aux consumption
- Trim system: Investigating options to install onboard our vessels to optimized vessels trim and hereby speed /consumption
- Battery: One vessel is scheduled for retro fitting of a battery package, in order to lower consumption while at berth of anchorage

Together with the Danish company Insatech, Christiania Shipping have developed our own Trim System. The system will provide the vessels a real time picture of optimal trim on the specific mean draft and speed. Based on the calculated trim tables made by DNV it was evident that savings in the region of 5-7% is reachable. The system is currently being tested on the vessel Caroline Theresa.

Christiania Shipping has initiated a new tank cleaning method, by using spectrometers. Applying spectrometers, the Group openly shares particulate contents of tank washing analysis with customers, surveyors and terminals. The new system ensures:

- A decrease of the number of man entries in tanks for wall wash, inspections etc., and the occurrence of solvent handling used for wall wash

medium and the number of third party, surveyor personnel, required to be on board the vessel.

- A reduction of the amount of excessive cleaning chemicals required and the disposal hereof and the cleaning time and unnecessary ship Co2 emissions.
- A goal for 2024 is to keep developing on tank cleaning safety and optimization.

Christiania Shipping has a goal to install ballast water treatment system on all vessels to manage stability and trim of the vessel. The transfer of invasive species in ballast water is a source of environmental contamination through transportation of organism from one eco system to another. As a result, international and national regulations have been implemented to limit the risk of containment. Christiania Shipping fully complies with all regulations in 2023. Ballast water treatment system is installed on seven vessels as of 31 December 2023. The remaining vessels will receive the systems as required by the regulations (at first renewal of their IOPP-certificate).

There are strict international maritime laws regulating on board waste management to prevent disposal of garbage at sea. This is regulated through MARPOL Annex V. Christiania Shipping, through their technical managers, have continuous efforts towards improving on board waste management with the aim to reduce the total environmental impact of the vessels. Each vessel has its own Garbage Record tracking waste treatment ensuring that waste is safely treated and to secure a high level of recycling. Furthermore, technical managers are taking actions to actively manage and encourage suppliers to focus on reducing the usage of plastic wrapping. Our actions to minimize plastic also include the abolition of plastic bottles, replaced with environmentally friendly paper carton. Christiania Shipping, through its technical managers, is fully committed to comply with all applicable regulations related to waste management and has done so in 2023. Christiania Shipping believes that waste management is important in order to reduce the environmental impact for the vessels, furthermore that the Group and its technical managers should strive to improve and strengthen the effort towards this going forward. The average amount of waste produced per vessel should

track downward over an extended period. Furthermore, 100% of the owned and BB fleet are Green Award certified. Green Award certificate holders are the front runners of the maritime industry and our quality and safety standards as well as enhanced environmental performance have been audited and confirmed with the Green Award certificate.

#### Accidental spills and emergency preparedness

If an environmental emergency does occur, the technical managers Emergency Response Plan is effectuated enabling a quick response enabling efficient focus on the human capital as well as minimizing environmental impact.

#### Ship Recycling

The recycling of vessels is a potential source of contamination of the environment. Christiania Shipping is aware of the environmental aspects relating to the recycling of vessels and will therefore take necessary precautions if vessels are sold for recycling. The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (the "Hong Kong Convention") has been ratified by Denmark, and Christiania Shipping is committed to follow the standards set out therein. Christiania Shipping will through a comprehensive investigation and screening process ensure that any recycling is completed in full compliance with the Hong Kong Convention and ensure that the nominated yard must at minimum meet following requirements:

- Comply with the Hong Kong Convention
- Produce an Inventory Hazardous Material certificate issued by Class (IACS)
- Issue a Ship Recycling Plan
- Issue a Green Recycling Certificate

## Human rights

#### Social responsibility

The onshore staff and crew onboard the vessels are key resources for Christiania Shipping. The safety, health and well-being of the staff and crew employed by the Group are key factors for the Group's success and highly prioritized to attract highly qualified and motivated

employees. The Group's HSE policy ensures that all employees work in a safe work environment both on the vessels and in the offices. It is the Group's aim to operate in accordance with all applicable laws and regulations and to treat its employees with dignity and respect.

The technical management, including crewing of the vessels, has been outsourced to third party managers. The managers are reputable, highly qualified and experienced with the management of chemical vessels and are accredited with ISO certifications and Green Awards. Furthermore, the technical managers have their own social responsibility policy committing to provide a safe, secure, healthy, and environmental responsible workplace.

In 2023, the number of accidents and incidents was 0. Christiania Shipping will continue the efforts to meet our long-term target of 0 accidents and incidents.

#### [General purchasing terms and conditions](#)

There is a risk of violation of human rights in our supply chain. As such, the General Purchasing Terms and Conditions of Christiania Shipping specify that all suppliers and sub-suppliers are required to live up to the rules and regulations applicable for Christiania Shipping. The Group expects its suppliers to operate their businesses in accordance with all applicable laws and regulations and to treat its employees with dignity and respect. In order to ensure to this, it is explicitly stated in the Group's general purchasing terms and conditions that suppliers may not in any way be involved in or related to any form of slavery or forced labor, human trafficking or similar actively. Furthermore, suppliers shall treat all personnel with dignity and respect and shall not tolerate mental or physical abuse or coercion of employees. Nor may suppliers be engaged in or benefit from child labor.

All new suppliers in 2023 have agreed to the purchasing terms and conditions and have as such committed to upholding Christiania Shipping's requirements related to human rights as stated in the terms and conditions. We have not identified any breaches in 2023.

It is not the goal to draw up a separate policy on human rights in 2024, as the Group believes the General Purchasing Terms and Conditions combined with their Code of Conduct to be adequate.

#### [Labor rights](#)

International and local legislation is adhered to by the Group and its technical managers, including the Maritime Labor Convention (2006) which sets out the rights of the seafarers when it comes to general working conditions, payment of wages, working hours and rest, right to medical care and annual leave.

### **Anti-corruption**

#### [Anti-corruption and Anti-Money Laundering](#)

As an industry, shipping is exposed to corruption and the demand of facilitation payments. Christiania Shipping is firmly committed to adherence to high ethical standards in addition to applicable laws, hereunder anti-corruption. Christiania Shipping has an anti-corruption policy, which states that "all employees of Christiania Shipping shall be opposed to and shall contribute to counteract all forms of corruption" and further, that "no employee of Christiania Shipping may be involved in corruption".

The Technical Managers have their own Anti Bribery Policy committing them to a zero-tolerance approach to bribery as well as strict actions to report demand for bribe.

Christiania Shipping has implemented an Anti-Money Laundering (AML) Policy and Guidelines that further elaborated on the policy statement set out in the Group's CoC. This states that Christiania Shipping will not participate in any form of money laundering, and that no member of Management or any employee may facilitate, support, directly or indirectly, any payment or transfer of money, which is likely to constitute money laundering.

The responsibility to avoid Christiania Shipping getting involved in any money laundering or dubious transaction applies to all employees and involves all departments and throughout the entire activity chain from the choice of customer or business partner all the

way to the execution of payments.

The policy and guidelines include a financial background check of customers/vendors plus a sanctions background check. All employees have received a copy of the policy in 2023 plus the training necessary to identify the warning signs of money laundering and financial crime have been completed in the financial year. No issues have been identified in 2023 and employee training will continue going forward to ensure compliance with the Group's policy on this area.

### Statement on gender composition (§99b of the Financial Statement Act)

Christiania Shipping believes in equal opportunity. As per 31 December 2023, the Group employed 24 full time staff in its office in Copenhagen and Golfe-Juan of which 8 were female (equivalent to 33%).

#### Target for the Board of Christiania Shipping A/S:

As per 31 December 2023, the Board of Directors consisted of three members, all men. The Group is aware of the imbalance and will work towards improving the ratio in the future and it is the Group's goal to have one woman on the Board of Directors by 2025. It is the Group's policy, at all times to select the candidate with the strongest qualifications no matter their gender, nationality, religion and political conviction.

In 2017 the Group set a target to have one woman on the Board of Directors by 2025. Being a company managed directly by the owners and given the development of the business, it has not been possible for the Group to either add or occupy one of the positions of the Board of Directors with a woman. In general, there are not many female candidates available, and further the general assembly and the owners have not seen the need to make adjustments to

the current Board in 2023. Therefore the gender composition is unchanged compared to last year.

#### Policy to increase gender diversity on other management levels:

The Executive Management of Christiania Shipping consists of four male and one female. As other management consists of five or fewer employees and the company employs less than 50 people, the company has chosen to use the exemption clause and has not stated the target figures and policy for the executive management, meaning other management levels.

Board of Directors	2023
Total number of members	3
Underrepresented gender %	0%
Target figure %	25%
Year for meeting target	2025
Executive Management	2023
Total number of members	5
Underrepresented gender %	20%

### Statement on Data Ethics (§99d of the Financial Statement Act)

Christiania Shipping take the employees' right to privacy seriously and take measures in order to protect personal data from being misused.

Christiania Shipping does not use advanced technologies such as AI or machine learning. The Group processes regular data such as customer data and employee data. Data is processed in accordance with GDPR and other regulation. With the limited use of data, it is our assessment that a policy for data ethics is not required. The Group will ongoingly assess if a policy is needed.

## Consolidated financial statements

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## Consolidated income statement

### 1 January - 31 December

USD '000	Note	2023	2022
Net freight income	3	136.522	156.978
Voyage related expenses	4	-41.936	-59.630
<b>Time charter equivalent earnings</b>		<b>94.586</b>	<b>97.348</b>
Time charter expenses		-11.623	-13.932
Operating expenses	5	-32.561	-27.630
Administrative expenses	5, 6, 7	-7.741	-5.117
<b>Operating profit before depreciation etc. (EBITDA)</b>		<b>42.661</b>	<b>50.669</b>
Depreciation	8	-8.538	-6.282
Impairment gains/losses of fixed assets	8, 12	40.688	-
Gains from sale of fixed assets	8	-	1.126
<b>Operating profit (EBIT)</b>		<b>74.811</b>	<b>45.513</b>
Finance income	9	1.296	345
Finance expenses	10	-7.379	-5.963
<b>Profit/loss before tax</b>		<b>68.728</b>	<b>39.895</b>
Tax for the year	11	55	99
<b>Profit/loss for the year</b>		<b>68.783</b>	<b>39.994</b>
<b>Attributable to:</b>			
Shareholders of Christiania Shipping A/S		56.720	16.994
Proposed dividend		12.063	23.000
		<b>68.783</b>	<b>39.994</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
USD '000		2023	2022
<b>Profit/loss for the year</b>		<b>68.783</b>	<b>39.994</b>
<b>Items which will be reclassified to the income statement:</b>			
Value adjustment of hedges for the year		-498	-
Conversion differences		-	-57
<b>Other comprehensive income</b>		<b>-498</b>	<b>-57</b>
<b>Total comprehensive income</b>		<b>68.285</b>	<b>39.938</b>
<b>Attributable to:</b>			
Shareholders of Christiania Shipping A/S		56.222	16.938
Proposed dividend		12.063	23.000
		<b>68.285</b>	<b>39.938</b>

## Consolidated balance sheet

### at 31 December

USD '000	Note	2023	2022
<b>ASSETS</b>			
Vessels	12	137.348	72.074
Prepayments on vessels and dockings under construction	12	2.096	1.354
Property, plant and equipment	12	6	7
Right-of-use assets	13	13.206	13.990
Other financial asset	14	8.259	-
Derivatives		1.230	-
Deferred tax asset		172	110
<b>Total tangible assets</b>		<b>162.317</b>	<b>87.535</b>
Inventories		3.609	3.480
Trade receivables	15	8.862	13.417
Receivables from parent company		-	5.498
Receivables from group enterprises		59	-
Other receivables		1.012	709
Prepayments	16	2.518	3.383
Cash and cash equivalents	17	22.683	24.056
Restricted cash	17, 19	2.500	2.250
<b>Total current assets</b>		<b>41.243</b>	<b>52.793</b>
<b>Total assets</b>		<b>203.560</b>	<b>140.328</b>

## Consolidated balance sheet

### at 31 December

USD '000	Note	2023	2022
<b>EQUITY AND LIABILITIES</b>			
Share capital	18	250	250
Retained earnings		89.670	23.510
Proposed dividend		12.063	23.000
<b>Total equity</b>		<b>92.044</b>	<b>46.760</b>
Long-term debt	19	29.548	31.059
Long-term lease liability	13	11.932	12.937
Long-term financing arrangements	20	37.585	26.049
Other non-current liabilities		48	48
<b>Total non-current liabilities</b>		<b>79.113</b>	<b>70.093</b>
Current portion of long-term debt	19	6.360	6.516
Current portion of lease liability	13	1.010	932
Current portion of financing arrangements	20	5.631	2.678
Trade payables	21	12.149	7.472
Payables to parent company		3.968	-
Payables to related parties		-	260
Current tax liabilities		-	9
Other current liabilities		977	1.625
Deferred income		2.308	3.983
<b>Total current liabilities</b>		<b>32.403</b>	<b>23.475</b>
<b>Total liabilities</b>		<b>111.516</b>	<b>93.568</b>
<b>Total equity and liabilities</b>		<b>203.560</b>	<b>140.328</b>

## Consolidated statement of changes in equity

### 1 January - 31 December 2023

USD '000	Share capital	Retained earnings	Proposed dividend	Total
<b>Equity at 1 January 2023</b>	<b>250</b>	<b>23.510</b>	<b>23.000</b>	<b>46.760</b>
Paid dividend	-	-	-23.000	-23.000
Proposed dividend related to 2023	-	-	12.063	12.063
<b>Changes in equity</b>	<b>-</b>	<b>-</b>	<b>-10.937</b>	<b>-10.937</b>
<b>Comprehensive income for the year</b>				
Other comprehensive income, net of tax	-	-498	-	-498
Profit/loss for the year	-	56.720	-	56.720
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>56.221</b>	<b>-</b>	<b>56.222</b>
<b>Equity at 31 December 2023</b>	<b>250</b>	<b>79.731</b>	<b>12.063</b>	<b>92.044</b>

### 1 January - 31 December 2022

USD '000	Share capital	Retained earnings	Proposed dividend	Total
<b>Equity at 1 January 2022</b>	<b>250</b>	<b>3.160</b>	<b>-</b>	<b>3.410</b>
Purchase of treasury shares	-	-5	-	-5
Conversion of intercompany debt into Equity	-	3.417	-	3.417
Proposed dividend related to 2022	-	-	23.000	23.000
<b>Changes in equity</b>	<b>-</b>	<b>3.412</b>	<b>23.000</b>	<b>26.412</b>
<b>Comprehensive income for the year</b>				
Other comprehensive income, net of tax	-	-57	-	-57
Profit/loss for the year	-	16.994	-	16.994
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>16.938</b>	<b>-</b>	<b>16.938</b>
<b>Equity at 31 December 2022</b>	<b>250</b>	<b>23.510</b>	<b>23.000</b>	<b>46.760</b>

During 2022, the parent company Eitzen Avanti AS converted intercompany debt of USD 3.4 million to equity in Christiania Shipping A/S.

## Consolidated statement of cash flow

1 January - 31 December

USD '000	Note	2023	2022
Operating profit (EBIT)		74.811	45.513
Adjustment for depreciation	8	8.538	6.282
Adjustment for gains/losses from impairment of fixed assets	8, 12	-40.688	-
Adjustment for gains/losses from sale of fixed assets	8	-	-1.126
Change in working capital excl. Accrued interest and tax liabilities	22	7.342	-10.137
Interest received	9	1.294	345
Interest paid	10	-3.633	-2.242
Interest on lease paid	10	-1.039	-1.604
Interest on finance arrangements paid	10	-2.338	-1.513
Tax paid		-23	-20
<b>Cash flow from operating activities</b>		<b>44.265</b>	<b>35.497</b>
Additions of tangible assets	12	-33.082	-42.877
Executing of purchase option		-	-2.625
Proceeds from the sale of tangible assets		-	2.900
<b>Cash flow from investing activities</b>		<b>-33.082</b>	<b>-42.602</b>
Loan raised	19	-	39.500
Establishment costs for new loan		-192	-398
Loans to parent company		-23.000	-5.623
Sale and leaseback transactions	20	17.000	27.400
Repayment of lease liability	13	-932	-1.269
Repayment of finance agreements	20	-3.606	-1.714
Other financial assets		-8.259	-
Purchase of treasury shares		-	-5
Loans from related parties		-260	-
Loans from parent company		10.048	-
Repayment of loans		-1.667	-29.147
Hedges		-1.728	-
Deposit related to new loan facility		-250	-250
<b>Cash flow from financing activities</b>		<b>-12.846</b>	<b>28.494</b>
<b>Net cash flow</b>		<b>-1.663</b>	<b>21.389</b>
Cash and cash equivalents at beginning of the year		24.056	3.450
Exchange rate adjustments		290	-782
Net cash flow		-1.663	21.389
<b>Cash and cash equivalents at end of the year</b>		<b>22.683</b>	<b>24.056</b>

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## Note 1. Basis of preparation

This note provides a list of accounting policies adopted in the preparation of the Consolidated Financial Statements.

Christiania Shipping operates chemical tankers between 3,500 - 13,000 dwt and has a leading position in trade niches in the Atlantic Ocean, Europe, West Africa and the Mediterranean.

Christiania Shipping A/S is a Limited Liability Company with its registered office in Denmark.

### Principal accounting policies

The annual report for the period 1 January – 31 December 2023 with comparative figures comprises the consolidated financial statements of Christiania Shipping A/S (the Group) and its subsidiaries.

### Consolidation principles

The consolidated financial statements of Christiania Shipping A/S for 2023 have been prepared on a going concern basis and in accordance with IFRS Accounting Standards as adopted by the European Union and additional Danish disclosure requirements for the financial statements of reporting class large C enterprises in accordance with the Danish Financial Statements Act.

The consolidated financial statements are presented in United States Dollars (USD). The consolidated financial statements are presented on the basis of historical cost prices. USD/DKK exchange rate at 31 December 2023 at 6,74 (6,97 at 31 December 2022).

Applied accounting policies are also included in note 28.

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## Accounting standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting period and have not been early adopted by the Group. These standards are not

expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

## Note 2. Significant accounting estimates, assumptions and uncertainties

In applying the Group's accounting policies described in note 1 and note 28, Management is required to make estimates, as well as assumptions for the carrying amount of assets and liabilities that cannot be directly derived from other sources. These estimates and assumptions are based on historical experience and other relevant factors. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognised in the accounting period in which the change takes place and in future accounting periods if the change affects both the period during which the change takes place and subsequent accounting periods.

### Significant accounting estimates associated with accounting policies

In connection with the application of the accounting policies described in note 28, Management has made the following accounting estimates, with a significant effect on the amounts recognised:

- Voyage revenues and costs
- Impairment of tangible assets (including reversal of impairments)

#### Voyage revenues and costs

Estimated voyage revenues and costs are recognised in accordance with the percentage of completion method with operating revenues and expenses recognised for each voyage. The percentage of completion is estimated by management based on the ratio between the duration of the voyage from load date through the balance sheet date relative to the total duration of voyage through the estimated date of discharge. Applied estimates are reviewed and updated at the end of each accounting period.

#### Impairment of tangible assets (including reversal of impairments)

The Group evaluates the carrying amount of vessels and other net assets to determine whether events have occurred, impairment indicators, that would require an adjustment to the recognised value of the net assets. If impairment indicators exist Management prepares an impairment test. Impairment tests are based on discounted future cash flow models, which are compared to the carrying amount of the assets within the cash generating units. Impairment tests are prepared based on assumptions including future freight rates, earnings from vessels and Management activities as well as discount rates. All of these factors have been historically volatile.

### Note 3. Revenue

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
<b>North West Europe, Mediterranean and others</b>		
Freight revenue	76.683	101.819
Time charter revenue	17.106	1.254
Demurrage	6.680	11.075
Other voyage related revenue	1.923	3.586
<b>Revenue</b>	<b>102.392</b>	<b>117.734</b>
<b>West Africa</b>		
Freight revenue	25.561	33.940
Time charter revenue	5.702	418
Demurrage	2.227	3.692
Other voyage related revenue	641	1.195
<b>Revenue</b>	<b>34.131</b>	<b>39.245</b>
<b>Total revenue</b>		
Freight revenue	102.244	135.759
Time charter revenue	22.807	1.672
Demurrage	8.907	14.766
Other voyage related revenue	2.563	4.781
<b>Total revenue</b>	<b>136.522</b>	<b>156.978</b>

Accrued income included in trade receivables in the balance sheet constitutes contract assets comprising unbilled amounts to customers representing the Group's right to consideration for the services transferred to date. Any amount previously recognised as accrued income is reclassified to trade receivables at the time it is invoiced to the customer.

Part of the deferred income presented in the balance sheet constitutes contract liabilities which represent advance payments and billings in excess of revenue recognised.

There were no significant changes in accrued income and deferred income during the reporting period.

### Note 4. Voyage related expenses

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Bunker costs	23.739	38.796
Port costs	9.918	12.609
Commission	5.848	6.414
Other	2.430	1.811
<b>Voyage related expenses</b>	<b>41.936</b>	<b>59.630</b>

## Note 5. Staff costs

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
<b>Land based employees (included in administrative expenses)</b>		
Wages and salaries	2.970	2.494
Pensions	529	267
Bonus	1.373	185
Other social security expenses	394	212
Other staff expenses	50	2
	<b>5.317</b>	<b>3.160</b>
<b>Seafarers (included in operating expenses)</b>		
Wages and salaries	14.963	15.358
Pensions	229	207
Bonus	15	12
Other staff expenses	3.248	54
	<b>18.455</b>	<b>15.631</b>
<b>Total staff costs</b>	<b>23.772</b>	<b>18.791</b>
<b>Average employees</b>		
	<b>2023</b>	<b>2022</b>
Land based employees	24	22
Seafarers	247	211
	<b>271</b>	<b>233</b>
<b>Persons in the Board of Directors and key management, average</b>		
	<b>2023</b>	<b>2022</b>
Board of Directors*	3	3
Executive Management	5	2
	<b>8</b>	<b>5</b>
* Axel C. Eitzen resigned as CEO on 1 January 2023 and took over as Chairman of the Board of Directors Fridtjof C. Eitzen resigned as Chairman of the Board of Directors on 1 January 2023 and took over as CEO		
<b>USD '000</b>		
<b>Remuneration to key management personnel</b>		
Salaries	741	399
Bonus	369	33
Contribution based pension	65	22
Other employee benefits	39	14
Share-based payment benefits	-	33
	<b>1.214</b>	<b>502</b>
<b>Remuneration to Board Members</b>		
Board fees	60	103
	<b>60</b>	<b>103</b>

## Note 6. Sharebased payment

In December 2022, Christiania Shipping entered into an agreement regarding granting shares in the parent company, Eitzen Avanti AS, to its employees. Such scheme was approved by shareholders at a Board Meeting dated 9 March 2022. Each share of nominal NOK 0.13 has a market value of NOK 10.55 on the day of the grant. All Christiania Shipping permanent employees who was employed by the Group as of the grant date are eligible to participate in the scheme. Employees may select not to participate in the scheme.

Shares issued by the Group are acquired on-market prior to the issue. Shares held by the Group and not yet issued to employees at the end of the reporting period are shown as treasury shares in the financial statements.

Under the scheme, eligible employees may be granted up to one months salary worth of fully paid ordinary shares in Eitzen Avanti AS for no cash consideration. The number of shares issued to the participants in the scheme is the offer amount divided by the weighted average price of the market value on the grant date and as part of employee benefit costs in the period the shares are granted.

There are no restrictions applied to the shares.

	<u>2023</u>	<u>2022</u>
Number of shares issued under the plan to participating employees on 20 December 2022	-	170.562

Each participant was issued shares worth a monthly salary. The shares had a grant date fair value of USD 181.324.

## Note 7. Fees to the auditor appointed at the general meeting

<u>USD '000</u>	<u>2023</u>	<u>2022</u>
Audit	98	84
Statutory declarations	4	-
Tax consultancy	70	70
Other services	30	57
<b>Total</b>	<b>202</b>	<b>212</b>

## Note 8. Depreciations, impairments and gains/losses

<u>USD '000</u>	<u>2023</u>	<u>2022</u>
Depreciation of property, plant and equipment	7.754	5.173
Depreciation of right-of-use assets	784	1.109
<b>Depreciations</b>	<b>8.538</b>	<b>6.282</b>
Impairment gains/losses on vessels, ref. note 12	40.688	-
<b>Impairment gains/losses</b>	<b>40.688</b>	<b>-</b>
Gains/losses from sale of fixed assets	-	1.126
<b>Gains/losses</b>	<b>-</b>	<b>1.126</b>

## Note 9. Financial income

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Interest income	827	126
Interest income related to intercompany loans	467	219
Dividends received	2	-
<b>Financial income</b>	<b>1.296</b>	<b>345</b>

## Note 10. Financial expenses

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Interest expenses on mortgage	2.903	1.578
Interest expenses related to leases	1.039	1.604
Interest expenses related to financing agreements	2.338	1.513
Interest expenses related to intercompany loans	18	135
Other interest expenses	6	32
Exchange rate losses	370	603
Other financial expenses	706	498
<b>Financial expenses</b>	<b>7.379</b>	<b>5.963</b>

## Note 11. Tax

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Tax on the results for the year	-67	-96
Adjustments of tax regarding previous years	12	-3
<b>Tax for the year recognized in the income statement</b>	<b>-55</b>	<b>-99</b>

The majority of the Group's income tax base is located in Denmark, and therefore subject to the Danish tonnage tax scheme. The Group renewed its participation in the tonnage tax scheme on 1 January 2021, with a binding period of 10 years.

The Group did not own any vessels upon entering the tonnage tax scheme; consequently, the Group has no deferred, or contingent, taxes from the transitional period.

Under the tonnage tax scheme, income and expenses from shipping activities are not subject to direct taxation and accordingly an effective rate reconciliation has not been provided as it would not provide any meaningful information. Instead, the taxable income is calculated from:

- The net tonnage of the vessels used to generate the income from shipping activities
- A rate applicable to the specific net tonnage of the vessel based on a sliding scale

In 2023, the Group have recognised a deferred tax asset of USD 172 thousand (2022: USD 110 thousand). There are no unrecognised tax liabilities associated with investments in foreign subsidiaries and jointly controlled companies.

## Note 12. Property, plant and equipment

USD '000	Vessels and dockings	Prepayments on vessels and dockings under construction	Property, plant and equipment	Total
Cost at 1 January 2023	263.372	1.354	8	264.734
Additions during the year	21.478	11.604	-	33.082
Disposals during the year	-	-	-	-
Transfer to/from other items	10.862	-10.862	-	-
<b>Cost at 31 December 2023</b>	<b>295.712</b>	<b>2.096</b>	<b>8</b>	<b>297.816</b>
Accumulated depreciations at 1 January 2023	-96.110	-	-1	-96.111
Disposals during the year	-	-	-	-
Depreciations for the year	-7.754	-	-1	-7.755
<b>Depreciations at 31 December 2023</b>	<b>-103.864</b>	<b>-</b>	<b>-2</b>	<b>-103.866</b>
Write - downs at 1 January 2023	-95.188	-	-	-95.188
Reversal of write - downs for the year	40.688	-	-	40.688
<b>Write - downs at 31 December 2023</b>	<b>-54.500</b>	<b>-</b>	<b>-</b>	<b>-54.500</b>
<b>Carrying amount at 31 December 2023</b>	<b>137.348</b>	<b>2.096</b>	<b>6</b>	<b>139.450</b>

During 2023, one vessel was acquired from an external party and two vessels were acquired from a related party on market terms in the vessel-owning company Christianiaship A/S.

During 2023, two vessels have been sold to third parties with repurchase options and obligations. Christiania Shipping entered into lease contracts at the same time. These transactions have been treated as financing transactions on group level.

USD '000	Vessels and dockings	Prepayments on vessels and dockings under construction	Property, plant and equipment	Total
Cost at 1 January 2022	232.378	-	5	232.383
Additions during the year	37.954	4.920	3	42.877
Disposals during the year	-10.527	-	-	-10.527
Transfer to/from other items	3.566	-3.566	-	-
<b>Cost at 31 December 2022</b>	<b>263.372</b>	<b>1.354</b>	<b>8</b>	<b>264.734</b>
Accumulated depreciations at 1 January 2022	-97.165	-	-1	-97.166
Disposals during the year	6.228	-	-	6.228
Depreciations for the year	-5.173	-	-0	-5.173
<b>Depreciations at 31 December 2022</b>	<b>-96.110</b>	<b>-</b>	<b>-1</b>	<b>-96.111</b>
Write - downs at 1 January 2022	-98.286	-	-	-98.286
Reversal of write - downs for the year	3.099	-	-	3.099
<b>Write - downs at 31 December 2022</b>	<b>-95.188</b>	<b>-</b>	<b>-</b>	<b>-95.188</b>
<b>Carrying amount at 31 December 2022</b>	<b>72.074</b>	<b>1.354</b>	<b>7</b>	<b>73.435</b>

During 2022, all Christiania Shipping's own vessels was moved to a newly established subsidiary, Christianiaship A/S based on booked values. On a Group level, this transaction has no impact to the carrying amount of the owned vessels. Moreover, during 2022 one vessel was sold to an external party and two vessels was acquired in the vessel-owning company Christianiaship A/S.

During 2022, three vessels have been sold to third parties with repurchase options and obligations. Christiania Shipping entered into lease contracts at the same time. These transactions have been treated as financing transactions.

Please refer to note 28 for further information.

## **Impairment test**

According to the Group's accounting policy, a write-down is made to the higher of the sales price (less costs to sell) and the value in use if there is an impairment indication.

As of 31 December 2023, Management assessed if any impairment indication exists for the Group's fleet. The fleet, including vessels chartered on time charter and bareboat charter agreements, is seen as one cash-generating unit (CGU). Following the assessment, Management has assessed that there is no impairment indication.

The demand for chemical vessels was weak for several years due to periods of oversupply of chemical vessels as well as the general impact of covid worldwide. At the end of 2021 there was a gradual market recovery which continued and into a firm market recovery in 2022 and 2023.

As of 31 December 2023, Management assessed if any indications for reversal of impairments exists for the vessels in the Group's fleet which carries previously recognised impairment losses. An impairment test was performed at the end of 2023 in order to assess potential reversal of previously recognised impairment.

The vessels which carries previously recognized impairment losses is defined as separate CGUs. A WACC of 9% was used for the calculation.

The value-in-use calculation indicated substantial headroom and prior year impairments of USD 40.7 million were reversed. The value-in use calculation is particularly sensitive to even minor fluctuations in freight rates and WACC. As an example of these sensitivities, a reduction of the assumed freight rates of USD 1,000 per day would affect the value-in-use negatively by approximately USD 17.9 million. An increase in WACC of 1% would similarly affect the value-in-use negatively by approximately USD 1.6 million.

## Note 13. Leases

USD '000	2023	2022
<b>Right-of-use assets</b>		
Cost at 1 January	17.628	29.106
Additions during the year	-	54
Disposals during the year	-	-11.532
<b>Cost at 31 December</b>	<b>17.628</b>	<b>17.628</b>
Depreciation at 1 January	-3.638	-2.524
Depreciation during the year	-784	-1.114
<b>Depreciation at 31 December</b>	<b>-4.422</b>	<b>-3.638</b>
<b>Carrying amount at 31 December</b>	<b>13.206</b>	<b>13.990</b>

USD '000	2023	2022
<b>Lease liabilities</b>		
Within 1 year	1.010	932
Between 1 and 3 years	2.197	2.092
Over 3 years	9.735	10.845
<b>Lease liability recognised</b>		
Current	1.010	932
Non-current	11.932	12.937
<b>Lease liability at 31 December</b>	<b>12.942</b>	<b>13.869</b>

USD '000	2023	2022
<b>Amounts recognised in the income statement</b>		
Depreciations charges of right-of-use assets	784	1.114
Interest expenses (included in financial expenses)	1.039	1.541
Expenses relating to short-term leases	10.544	14.784
Expenses relating to variable lease payments not included in lease liabilities	-	-
Expenses related to leases of low-values assets not included in short-term leases	-	-

The total cash outflow for leases in 2023 was USD 2.0 million (2022: USD 2.9 million).

The Group's leasing activities primarily consists of bareboat charter leases, which have a duration of up to ten years. Leasing arrangements are accounted for as described in note 28.

## Note 14. Other financial assets

The Group has invested in two newbuildings to be delivered in 2025 and 2026. The Group will pay for the two first installments, while the remaining installments are financed through sale and leaseback arrangements with purchase options and purchase obligations.

Other financial assets amounted to USD 8.3 million as of 31 December 2023, reflecting the first installments on above mentioned newbuildings.

### Newbuilding 1

Installment	Date	%	Payable in JPY '000	Paid in USD '000	Financing
1st installment - Signing	July 2023	15%	595.500	4.129	Equity
2nd installment - Steel cutting	November 2024	15%	595.500	-	Equity
3rd installment - Launching	June 2025	20%	794.000	-	Pre delivery financing
4th installment - Delivery	November 2025	50%	1.985.000	-	Pre delivery financing
<b>Total</b>		<b>100%</b>	<b>3.970.000</b>	<b>4.129</b>	<b>Sale and leaseback</b>

### Newbuilding 2

Installment	Date	%	Payable in JPY '000	Paid in USD '000	Financing
1st installment - Signing	July 2023	15%	595.500	4.129	Equity
2nd installment - Steel cutting	February 2025	15%	595.500	-	Equity
3rd installment - Launching	November 2025	20%	794.000	-	Pre delivery financing
4th installment - Delivery	February 2026	50%	1.985.000	-	Pre delivery financing
<b>Total</b>		<b>100%</b>	<b>3.970.000</b>	<b>4.129</b>	<b>Sale and leaseback</b>

The newbuilding contract is in JPY while the financing is in USD. In order to hedge the currency exposure, the Group has acquired a USD / JPY option. As per 31 December 2023, derivatives amounted to USD 1.2 million.

## Note 15. Trade receivables

USD '000	2023	2022
Receivables from invoiced voyages	6.374	8.354
Receivables from voyages commenced at the balance sheet date	2.489	5.113
Provisions for bad debt	-	-50
<b>Trade receivables</b>	<b>8.862</b>	<b>13.417</b>
Hereof:		
Not due	2.171	3.232
Overdue 1-90 days	4.203	5.010
Overdue more than 90 days	-	112
	<b>6.374</b>	<b>8.354</b>

The fair value of trade receivables approximates the carrying amount.

A provisioning account is used to reduce the carrying amount of receivables from sales and services whose value is impaired due to loss risk.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits

the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information. The credit risk is generally considered immaterial.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

## Note 16. Prepayments

USD '000	2023	2022
Prepayments regarding time charter and bareboat charter agreements	1.020	1.577
Insurance prepayments	38	42
Other prepayments to suppliers etc.	1.460	1.763
<b>Prepayments</b>	<b>2.518</b>	<b>3.383</b>

## Note 17. Cash and cash equivalents

USD '000	2023	2022
USD	15.221	13.430
EUR	1.398	12.605
GBP	0	0
DKK	153	211
JPY	8.408	-
Other currencies	2	60
<b>Cash and cash equivalents</b>	<b>25.183</b>	<b>26.306</b>
Hereof:		
Unrestricted	22.683	24.056
Restricted	2.500	2.250
	<b>25.183</b>	<b>26.306</b>

## Note 18. Share capital

	2023			2022		
	Number of shares	Nominal value USD	Share capital USD	Number of shares	Nominal value USD	Share capital USD
Shares	1.701	146,78	249.673	1.701	146,78	249.673
<b>Share capital 31 December</b>	<b>1.701</b>	<b>146,78</b>	<b>249.673</b>	<b>1.701</b>	<b>146,78</b>	<b>249.673</b>

## Note 19. Loans

USD '000	2023	2022
Current portion of non-current debt with maturities within 1 year	6.360	6.516
Non-current debt with maturities between 1 and 5 years	29.548	31.059
Non-current debt with maturities over 5 years	-	-
<b>Total</b>	<b>35.908</b>	<b>37.575</b>
Hereof:		
Loans denominated in USD with floating interest rate	35.908	37.575
<b>Total</b>	<b>35.908</b>	<b>37.575</b>

During 2023, the Group amended the existing loan agreement. The fair value of the loans approximates the carrying amount. The loan agreement, signed in December 2023, includes financial covenants with respect to liquidity, equity ratio and working capital requirements. These requirements were met at the balance sheet date.

USD '000	31 December 2023	Loan additions	Loan repayments	31 December 2022
Bank loans	35.908	-	-1.667	37.575
<b>Total</b>	<b>35.908</b>	<b>-</b>	<b>-1.667</b>	<b>37.575</b>

## Note 20. Financing arrangements

In 2023, the Group has entered into sale-and-leaseback agreements. The Group has purchase options for the vessels and when the financing expires, the Group has a purchase obligation to acquire the vessels at an agreed value. The following finance arrangements have been established during 2023:

- The Group entered into a finance arrangement with White Line Co. on 19 September 2023 to finance USD 9.0 million in connection with the sale-and-leaseback of Alice Theresa.
- The Group entered into a finance arrangement with Libero Panama S.A. on 29 November 2023 to finance USD 8.0 million in connection with the sale-and-leaseback of Tina Theresa.

<b>Borrower</b>	<b>Lender</b>	<b>Financing 31.12.2023</b>	<b>Financing 31.12.2022</b>
Christiania Shipping A/S	Kyowa Shipping Corporation	5.842	6.476
Christiania Shipping A/S	Ujigami Kaiun Co. Ltd.	10.742	11.349
Christiania Shipping A/S	Hisamoto Kisen Co. Ltd.	7.158	8.005
Christiania Shipping A/S	Ross Chemicals AS	1.719	2.166
Christiania Shipping A/S	Wavefront Asset Management	641	331
ChristianiaShip A/S	Wavefront Asset Management	489	400
Christiania Group	White Line Co.	8.716	-
Christiania Group	Libero Panama S.A.	7.909	-
<b>Total financing</b>		<b>43.216</b>	<b>28.727</b>

In accounting for a financing arrangement, the Group continues to recognise the transferred assets and recognises a financial liability for the consideration received from lender. The financial liability is subsequently measured at amortized cost.

## Note 21. Trade payables

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Payables for good and services	12.149	7.472
<b>Trade payables</b>	<b>12.149</b>	<b>7.472</b>

## Note 22. Changes in working capital

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Change in inventories	128	804
Change in trade receivables	-4.554	7.473
Change in other receivables	303	-74
Change in prepayments	-865	1.321
Change in trade payables	-4.677	1.672
Change in other liabilities	648	-63
Change in deferred income	1.674	-995
<b>Change in working capital excl. accrued interest and tax liabilities</b>	<b>-7.342</b>	<b>10.137</b>

## Note 23. Unrecognised contingent assets and liabilities

The Group is not involved in any material lawsuits involving claims against the Group. However, claims have been made against the Group regarding cargo claims etc. It is Management's opinion that the outcome of these disputes will not have any material impact on the Group's financial position, result or cash flow.

The Group is not involved in any material lawsuits, disputes etc. involving claims from the Group against third parties.

The Group has not issued any guarantees.

## Note 24. Mortgages and security

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Loans secured by mortgages in vessels	35.908	37.575
Carrying amount of vessels being mortgaged	61.195	45.188
Value of mortgages	35.908	37.575

The assets mortgaged as security relates to a loan facility of USD 35.9 million (2022: USD 37.6 million). The loan expires in July 2027, or when the vessels being mortgaged are disposed of, if earlier.

## Note 25. Related party disclosures and transactions with related parties

### Related parties with controlling influence

Related parties with controlling influence consist of the Board in Eitzen Avanti AS, based in Oslo, Norway that ultimately controls the Group with 100% ownership.

### Transactions with related parties

The related parties comprise the Executive Board, members of the Board of Directors, as well as their close relatives. Related parties also include companies in which the above-mentioned persons have significant interests as well as companies and foundations, which have direct or indirect considerable influence through shareholding. Remuneration to key management personnel are disclosed in note 5.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Receivable from Christiania Energy A/S	59	-
Receivable from Eitzen Avanti AS	-	5.498
Payable to Eitzen Avanti AS	3.968	-
Payable to SunChris Ship Management Pte. Ltd.	-	82
Payable to Camillo Eitzen & Co AS	-	178
<b>31 December</b>	<b>4.027</b>	<b>5.759</b>

During the year, the Group has paid time charter hire to RF Tankers AS of USD 6.8 million (2022: USD 4.1 million).

## Note 26. Financial risks

Due to the nature of Christiania Shipping's operations, the Group is mainly exposed to risks relating to fluctuations in freight rates and bunker prices.

### Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings:

<b>31 December 2023</b> <b>USD '000</b>	<b>Under 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying amount</b>
Trade payables	12.149	-	-	-	12.149	<b>12.149</b>
Bank loans	6.360	6.360	23.193	-	35.908	<b>35.908</b>
Lease liability	1.010	1.083	3.588	7.260	12.942	<b>12.942</b>
Financing arrangements	5.631	6.355	16.063	15.867	43.916	<b>43.216</b>
Loans from related parties	3.968	-	-	-	3.968	<b>3.968</b>
<b>Total</b>	<b>29.118</b>	<b>13.798</b>	<b>42.845</b>	<b>23.127</b>	<b>108.883</b>	<b>108.183</b>

<b>31 December 2022</b> <b>USD '000</b>	<b>Under 1 year</b>	<b>Between 1 and 2 years</b>	<b>Between 2 and 5 years</b>	<b>Over 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying amount</b>
Trade payables	7.472	-	-	-	7.472	<b>7.472</b>
Bank loans	6.516	6.516	24.839	-	37.575	<b>37.575</b>
Lease liability	932	1.009	3.384	8.547	13.872	<b>13.869</b>
Financing arrangements	2.678	3.050	10.668	12.538	28.934	<b>28.727</b>
<b>Total</b>	<b>17.598</b>	<b>10.575</b>	<b>38.891</b>	<b>21.085</b>	<b>87.853</b>	<b>87.643</b>

### Freight rates

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
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#### Sensitivity re. freight rates: Effect of 1% increase in freight rates (spot)

Change in profit before tax	1.022	1.358
Change in equity	1.022	1.358

The Group's income is principally generated from voyages carried out by its fleet of vessels. As such the Group is exposed to volatility in the freight rates.

It is the Group's strategy to minimize its' to this risk by entering physical contracts with different duration, such as cargo contracts and time charters.

All things being equal and the extent the Group's vessels have not already been chartered out at fixed rates, a freight rate change of 1% would lead to the changes in profit and loss as shown above.

There have been no changes in the methods applied from previous periods.

## Bunker prices

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
<b>Sensitivity re. bunker prices: Effect of 1% increase in bunker price</b>		
Change in profit before tax	237	388
Change in equity	237	388

The Group's largest variable cost is fuel in the form of bunkers, and the total cost will therefore depend on the market price of bunkers. To reduce this risk the Group generally entering physical delivery contracts which make it possible to levy any changes in the bunker prices on the customer.

All things being equal, a price increase of 1% per ton of bunker oil (without subsequent changes in freight rates) would lead to the changes in profit and loss as shown above.

There have been no changes in the methods applied from previous periods.

## Categories of financial instruments

The carrying amounts for the Group's financial instruments are shown below:

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Other financial asset	8.259	-
Cash and cash equivalents	25.183	26.306
Trade receivables	8.862	13.417
<b>Financial assets measured at amortised cost</b>	<b>42.304</b>	<b>39.723</b>
Derivatives	1.230	-
<b>Financial assets measured at fair value</b>	<b>1.230</b>	<b>-</b>
Loans	35.908	37.575
Lease liabilities	12.942	13.869
Financing arrangements	43.216	28.727
Trade payables	12.149	7.472
<b>Financial liabilities measured at amortised cost</b>	<b>104.215</b>	<b>87.643</b>

## **Note 27. Subsequent events**

5 March 2024 Christiania Shipping acquired Sigaia Theresa from the BB owners.

28 April 2024 Christiania Shipping took delivery of the 12,000 dwt stainless steel 2019 built vessel Julia Theresa on a 10 year BB agreement.

14 May 2024 Christiania Shipping sold the 2009 built 8,000 dwt vessel Annelise Theresa.

31 May 2024 the shares in Christiania Shipping A/S was contributed to Christiania Holding A/S as a non-cash contribution.

4 June 2024 Christiania Shipping sold the 2009 built 13,000 dwt vessel Diana Theresa.

## Note 28. Accounting policies

Accounting policies in addition to those described in note 2, is as described below.

### Consolidated financial statements

The consolidated financial statements include Christiania Shipping A/S (parent company) and the enterprises (subsidiaries) which are controlled by the parent company. Control is achieved when the company:

- has the power of the investee
- is exposed or has the right to variable returns from involvement with the investee
- has the ability to use its power to affect its returns

The Group's joint control or significant influence over an entity or activity is subject to an assessment of power and exposure to variability in returns. When assessing joint control, an analysis is carried out to determine which decisions require unanimity and whether these concern the activities that significantly affects return. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

### Basis of consolidation

The consolidated financial statements have been prepared on the basis of the accounts of Christiania Shipping A/S and its subsidiaries. The consolidated financial statements have been prepared by adding together items of a uniform nature. The accounts used for consolidation purposes have been prepared in accordance with the Group's accounting policies. Intercompany income and expenses, intercompany balances and dividends as well as profit and loss from intercompany transactions have been eliminated on consolidation. Subsidiaries' items are recognised in full in the consolidated financial statements. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Company. Investments in joint arrangements are recognised and measured in the consolidated financial statements pro

rata with the Group's ownership interest and presented on a line-by-line basis in the consolidated financial statements. The proportionate share of the results of the entities after tax and elimination of unrealised proportionate intercompany profits and losses is recognised in the income statement.

### Foreign currency translation

The functional currency and presentation currency of the Group is USD. On initial recognition, transactions in currencies other than the functional currency of the Group are translated using the exchange rate at the date of the transaction. Receivables, payables and other monetary items in foreign currencies, which have not been settled at the balance sheet date, are translated using the rate of exchange at the balance sheet date. Any exchange differences arising between the rate of exchange at the date of the transaction and the rate of exchange at the date of payment and the balance sheet date, respectively, are recognised in the income statement as financial income and expenses. Property, plant and equipment, intangibles, inventories and other non-monetary assets purchased in foreign currencies and measured using historical costs are translated using the rate of exchange at the date of the transaction.

### Income statement

#### Revenue

Revenue comprises freight, demurrage, time charter and other voyage related revenue. Revenue is recognised when or as performance obligations are satisfied by transferring the promised goods or 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 the Group expects to be entitled to.

The completion is determined using the load-to-discharge method based on the percentage of the estimated duration of the voyage completed at the reporting date. Freight revenue and related voyage and operating costs are recognized in the income statement according to the entered charter parties from the date of load to the date of delivery of the cargo (discharge).

Accordingly, freight, charter hire and demurrage revenue are recognised at selling price upon delivery of the service as specified in the agreement with the charter parties.

#### Voyage related expenses

These are expenses related to voyages performed by the Groups vessels. Voyage related expenses consist mainly of bunkers, port expenses and commissions. Voyage related expenses are recognised as incurred.

#### Operating expenses

Operating expenses include costs relating to the operation and maintenance of vessels, including costs relating to crew. Operating expenses are recognised as incurred.

#### Administrative expenses

Administrative expenses include the cost of offices, personnel costs and administrative costs. Staff costs comprise wages and salaries, social security and pension costs, etc. and are recognised as incurred.

#### Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation of tangible fixed assets for the period as well as the impairment of the value of assets by the amount by which the carrying amount of the asset exceeds its recoverable amount. In the event of indications of impairment, the carrying amount is assessed, and the value of the asset is impaired to its recoverable amount equal to the higher of value in use based on net present value of future earnings from the assets and its net selling price.

#### Financial items

Financial items comprise interest income and expenses, realised and unrealised gains and losses on securities, liabilities and foreign currency transactions, dividends, estimated interest expenses relating to amortization allowances or deductions relating to mortgage debt etc. as well as surcharges and allowances under the Danish Corporate Tax Scheme.

Interest income and expenses are accrued on the basis of the principal and the effective interest rate. The

effective interest rate is the discount rate that will be used to discount the expected future payments that are linked to the financial asset or financial liability so that their present value corresponds to the carrying amount of the asset and liability.

#### Tax

The Group's current tax of the year consists of estimated tax according to the Danish Tonnage Tax Act for all shipping activities, and according to general tax regulations for net financial income and other activities. Other activities consist of the Group's Management fee income. Shipping activities are taxed based on the net tonnage (vessels) which the Group has at its disposal.

Based on the Group's planned use of vessels and recovery of reversed depreciation, the tonnage tax regime does not result in a deferred tax liability, but is merely incorporated as a contingent liability. Other activities of the Group are not subject to deferred tax either.

### Balance sheet

#### Property, plant and equipment, vessels and dry-docking

Property, plant and equipment, vessels, upgrade costs, dockings and office and IT equipment, and are measured at cost less accumulated depreciation and impairment losses. The cost comprises the cost of acquisition and any expenses directly related to the acquisition until the time when the asset is ready for use, including interest expenses incurred during the period of construction. Other borrowing costs are taken to the income statement. Depreciation is charged over the expected economic lives of the assets, and the depreciation methods, expected lives and residual values are reassessed individually for the assets at the end of each financial year.

#### Vessels

Vessels are measured at cost less accumulated depreciation and write-downs. All major components of vessels except for dry-docking assets are depreciated on a straight-line basis to the estimated residual value over their estimated useful lives, which the Group estimates to be 25 years. Depreciation is based on cost

less estimated residual value. Residual value is estimated as the light weight tonnage of each vessel multiplied by scrap value per ton. The useful life and residual value of the vessels are reviewed at least at each financial year-end based on market conditions, regulatory requirements and the Group's business plans. Moreover, the Group evaluates the carrying amount of the vessels to determine whether events have occurred that indicate impairment and would require an adjustment of the carrying amounts. Prepayments on vessels under construction are recognised as installments paid.

#### Dry-dockings

Vessels are required to undergo planned dry dockings for major repairs and maintenance, which cannot be carried out while the vessels are operating. Dry-dockings are generally required every 30-60 months depending on the nature of the work, and the age of the vessel. Costs relating to dry-dockings are capitalised and depreciated on a straight-line basis over a period of 60 months or to the next dock if within 30 months. The residual value is estimated at zero. A portion of the cost of acquiring a new vessel is allocated to the components which are expected to be replaced or refurbished at the next dry-docking. A portion of the acquisition price for a new vessel is allocated to a dry-docking asset. The dry-docking asset is estimated on the basis of the expected costs related to the first-coming docking, which is based on experience with similar vessels. At subsequent measurement dry-dockings, the asset comprises the actual docking costs incurred.

#### Office and IT equipment

Office and IT equipment is depreciated on a straight-line basis over the estimated useful lives, which does not exceed 5 years.

#### Leases

The Group leases vessels through bareboat and time charter arrangements. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

#### Lease liabilities

Lease liabilities are initially measured on a present value basis and include the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts to be expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option
- payments to be made under reasonably certain extension options

In calculating the present value of the lease payments, Christiania Shipping uses the incremental borrowing rate at the lease commencement date. This is the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The incremental borrowing rate applied is approximately 8%. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance expenses. Finance expenses are charged to the

income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

#### Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs

Right-of-use assets are depreciated over the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise rent of the Group head quarter and office equipment etc.

#### Sale and leaseback transactions

A sale-and-leaseback transaction involves the transfer of an asset by an entity (the seller-lessee) to another entity (the buyer-lessor) and the leaseback of the same asset by the seller-lessee. However, in order for an arrangement to be classified as a sale-and-leaseback agreement, the Group is required to apply IFRS 15 Revenue from Contracts with Customers to determine whether a sale has occurred. That is, control of the underlying asset has to pass to the buyer-lessor in order for the arrangement to be classified as a sale-and-leaseback agreement. If control of the underlying asset is not passed, the transaction should be accounted for as a financing transaction.

In case, the Group's option (and obligation) to repurchase the vessels means that the transaction does not qualify as a sale in accordance with IFRS 15 and therefore does not qualify as a sale and leaseback.

Consequently, the Group should account for the transaction as a financing arrangement in accordance with IFRS 9 Financial instruments.

In accounting for a financing arrangement, the Group continues to recognise the transferred assets and recognises a financial liability for the consideration received from the buyer-lessor. The financial liability is subsequently measured at amortized cost.

#### Impairment tests

The carrying amounts of property, plant and equipment with finite useful lives are evaluated at the balance sheet date to determine whether there are indications of impairment. If an indication of impairment is identified, the recoverable amount of the asset is estimated in order to determine the need for recognising an impairment loss and the extent hereof. If an asset does not generate cash flows that are independent from other assets, the recoverable amount is determined for the smallest cash-generating unit to which the asset belongs. The Group is considered as one cash generating unit. The recoverable amount is defined as the higher of the fair value of the asset or the cash generating unit less costs to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money, the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For vessels, the fair value is usually determined based on the estimated selling price less costs to sell. If the recoverable amount of the asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount.

An impairment loss for cash-generating units is allocated to the assets of the unit, but no asset will be reduced to a lower value than its fair value deducted expected costs to sell. Impairment losses are recognised in the statement of comprehensive income. If an impairment loss subsequently is reversed as a result of changes in the assumptions used to determine the recoverable amount, the carrying amount of the asset or cash-generating unit is increased to the revised

recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit.

Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### Derivatives and hedging activities

Derivatives are initially recognised at amortised cost on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates hedging instruments as hedges of highly probable forecast transactions in foreign currency (cash flow hedges).

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in Reserve for cash flow hedges in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within financial items.

#### Inventories

Inventories are measured at cost according to the FIFO method, or net realizable value if lower. Inventories consist of bunkers and lubricants etc. The cost of bunkers and lubricants includes the purchase price and delivery costs.

#### Receivables

Receivables comprise trade receivables (including accrued income) and other receivables. Receivables are classified as receivables that are financial assets, with fixed or determinable payments, which are not quoted in an active market and which are not derivative financial instruments. Receivables are initially measured at fair value and subsequently at amortized cost, which usually equals the nominal value less

provisions for bad debts.

In measuring the expected credit losses on trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### Dividends

Dividend are recognised as a liability at the time of approval by the General Meeting. Dividends proposed by Management in respect of the year are stated under equity.

#### Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured as the best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions with an expected maturity of more than one year from the balance sheet date are measured at present value.

#### Non-current and current financial liabilities (interest bearing debt)

Finance loans are initially measured at fair value less any transaction costs. Finance loans are subsequently measured at amortized cost. This means that the difference between the amount on initial recognition and the redemption value is recognised in the income statement as a financial expense over the term of the loan using the effective interest method.

#### Trade payables and other liabilities

Trade payables and other liabilities are initially measured at fair value less any transaction costs. Liabilities are subsequently measured at amortized cost using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the in-come statement as a financial expense over the term of the liability.

## Cash flow statement

The cash flow statements are presented using the indirect method and show cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are stated as the operating profit or loss, adjusted for non-cash operating items and changes in working capital, less corporation tax paid attributable to operating activities.

Cash flows from investing activities include payments in connection with the acquisition and divestment of enterprises and financial assets and the acquisition, development, improvement and sale, etc. of intangibles and property, plant and equipment.

Cash flows from acquisition and divestment of enterprises are shown separately under cash flows from investing activities. Cash flows from acquired

enterprises are recognised in the cash flow statement from the time of their acquisition, and cash flows from divested enterprises are recognised up to the time of sale. Cash flows from financing activities comprise changes in the parent Group's share capital and related costs as well as raising and repayment of loans, instalments on interest bearing debt, acquisition of treasury shares and payment of dividend. Cash flows in other currencies than the functional currency are recognised in the cash flow statement using average exchange rates for the respective months, unless these deviate materially from the actual exchange rates ruling at the dates of the transactions. If so, the actual exchange rates are used.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

## Parent company financial statements

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## Parent company income statement

### 1 January - 31 December

USD '000	Note	2023	2022
Net freight income	3	136.522	156.978
Voyage related expenses	4	-41.936	-59.630
<b>Time charter equivalent earnings</b>		<b>94.586</b>	<b>97.348</b>
Other operating income		140	54
Time charter expenses		-43.861	-29.687
Operating expenses	5	-12.449	-20.220
Administrative expenses	5, 6, 7	-7.663	-5.087
<b>Operating profit before depreciation etc. (EBITDA)</b>		<b>30.753</b>	<b>42.408</b>
Depreciation	8	-3.376	-4.427
Impairment gains/losses of fixed assets	8, 13	7.287	-
Gains/losses from sale of fixed assets	8	-	1.126
Share of results of subsidiaries	9	3.932	5.353
<b>Operating profit (EBIT)</b>		<b>38.596</b>	<b>44.460</b>
Finance income	10	995	309
Finance expenses	11	-4.055	-4.886
<b>Profit/loss before tax</b>		<b>35.537</b>	<b>39.883</b>
Tax for the year	12	54	111
<b>Profit/loss for the year</b>		<b>35.591</b>	<b>39.994</b>
<b>Attributable to:</b>			
Shareholders of Christiania Shipping A/S		19.596	11.641
Proposed dividend		12.063	23.000
Reserve for net revaluation		3.932	5.353
		<b>35.591</b>	<b>39.994</b>
<b>USD '000</b>		<b>2023</b>	<b>2022</b>
<b>Profit/loss for the year</b>		<b>35.591</b>	<b>39.994</b>
<b>Items which will be reclassified to the income statement:</b>			
Value adjustment of hedges for the year		-498	-
Conversion differences		-	-57
<b>Other comprehensive income</b>		<b>-498</b>	<b>-57</b>
<b>Total comprehensive income</b>		<b>35.092</b>	<b>39.938</b>
<b>Attributable to:</b>			
Shareholders of Christiania Shipping A/S		19.097	11.585
Proposed dividend		12.063	23.000
Reserve for net revaluation		3.932	5.353
		<b>35.091</b>	<b>39.938</b>

## Parent company balance sheet at 31 December

<u>USD '000</u>	<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>			
Vessels	13	36.164	28.199
Prepayments on vessels and dockings under construction	13	543	42
Right-of-use assets	14	30.228	13.990
Other financial asset	15	8.259	-
Investments in subsidiaries	16	26.397	12.399
Derivatives		1.230	-
Deferred tax asset		161	108
<b>Total non-current assets</b>		<b>102.982</b>	<b>54.738</b>
Inventories		3.518	3.433
Trade receivables	17	8.928	13.291
Receivables from parent company		-	5.498
Receivables from group enterprises		59	1.168
Other current receivables		923	795
Prepayments	18	1.156	2.318
Cash and cash equivalents	19	11.838	19.940
<b>Total current assets</b>		<b>26.422</b>	<b>46.442</b>
<b>Total assets</b>		<b>129.405</b>	<b>101.180</b>

## Parent company balance sheet at 31 December

USD '000	Note	2023	2022
<b>EQUITY AND LIABILITIES</b>			
Share capital	20	250	250
Retained earnings		46.539	23.510
Proposed dividend		12.063	23.000
<b>Total equity</b>		<b>58.852</b>	<b>46.760</b>
Long-term lease liability	14	26.699	12.937
Long-term financing arrangements	21	22.817	25.649
Other non-current liabilities		48	48
<b>Total non-current liabilities</b>		<b>49.564</b>	<b>38.635</b>
Current portion of lease liability	14	3.047	932
Current portion of financing arrangements	21	3.284	2.678
Trade payables	22	7.664	6.736
Payables to parent company		3.968	-
Payables to related parties		-	260
Payables to group enterprises		496	579
Other current liabilities		222	615
Deferred income		2.308	3.984
<b>Total current liabilities</b>		<b>20.989</b>	<b>15.785</b>
<b>Total liabilities</b>		<b>70.553</b>	<b>54.420</b>
<b>Total equity and liabilities</b>		<b>129.405</b>	<b>101.180</b>

## Parent company statement of changes in equity

### 1 January - 31 December 2023

USD '000	Share capital	Reserve for cash flow hedges	Reserve for net revaluation according to equity method	Retained earnings	Proposed dividend	Total
<b>Equity at 1 January 2023</b>	250	-	5.399	18.110	23.000	46.760
Paid dividend	-	-	-	-	-23.000	-23.000
Proposed dividend related to 2023	-	-	-	-	12.063	12.063
<b>Changes in equity</b>	-	-	-	-	-10.937	-10.937
<b>Comprehensive income for the year</b>						
Other comprehensive income, net of tax	-	-498	-	-	-	-498
Profit/loss for the year	-	-	3.932	19.596	-	23.527
<b>Total comprehensive income for the year</b>	-	-498	3.932	19.596	-	23.029
<b>Equity at 31 December 2023</b>	250	-498	9.332	37.706	12.063	58.852

### 1 January - 31 December 2022

USD '000	Share capital	Reserve for net revaluation according to equity method	Retained earnings	Proposed dividend	Total
<b>Equity at 1 January 2022</b>	250	46	3.114	-	3.410
Purchase of treasury shares	-	-	-5	-	-5
Proposed dividend related to 2022	-	-	-	23.000	23.000
Conversion of intercompany debt into Equity	-	-	3.417	-	3.417
<b>Changes in equity</b>	-	-	3.412	23.000	26.412
<b>Comprehensive income for the year</b>					
Translation difference	-	-	-57	-	-57
Profit/loss for the year	-	5.353	11.641	-	16.994
<b>Changes in equity</b>	-	5.353	11.585	-	16.938
<b>Equity at 31 December 2022</b>	250	5.399	18.110	23.000	46.760

During 2022, the parent company Eitzen Avanti AS converted intercompany debt of USD 3.4 million to equity in Christiania Shipping A/S.

## Parent company statement of cash flow

### 1 January - 31 December 2023

USD '000	Note	2023	2022
Operating profit (EBIT)		38.596	44.460
Adjustment for depreciation	8	3.376	4.427
Adjustment for impairment	8, 13	-7.287	-
Adjustment for gains/losses from sale of fixed assets	8	-	-1.126
Adjustment for share of results of subsidiaries	9	-3.932	-5.353
Change in working capital excl. Accrued interest and tax liabilities	23	4.170	-10.983
Interest received	10	957	309
Interest paid	11	-220	-1.256
Interest on lease paid	11	-1.298	-1.541
Interest on finance arrangements paid	11	-1.958	-1.513
Tax paid		-23	-20
<b>Cash flow from operating activities</b>		<b>32.381</b>	<b>27.404</b>
Additions of tangible assets	13	-3.607	-22.465
Executing of purchase option		-	-2.625
Proceeds from the sale of tangible assets		-	2.900
Investment in subsidiaries	16	-10.010	-6.769
<b>Cash flow from investing activities</b>		<b>-13.617</b>	<b>-28.958</b>
Loans to parent company		-23.000	-5.623
Receivables from group enterprises		437	-588
Sale and leaseback transactions	21	-	27.400
Repayment of lease liability	14	-1.315	-1.332
Repayment of finance agreements	21	-3.026	-1.714
Prepayment other financial assets		-8.259	-
Purchase of treasury shares		-	-5
Loans from related parties		-260	-
Loans from parent company		10.048	-
Repayment of loans		-	-5.468
Paid dividend		-	-
Derivatives		-1.728	-
<b>Cash flow from financing activities</b>		<b>-27.103</b>	<b>15.642</b>
<b>Net cash flow</b>		<b>-8.338</b>	<b>14.088</b>
Cash and cash equivalents at beginning of the year		19.940	3.426
Exchange rate adjustments		237	2.425
Net cash flow		-8.338	14.088
<b>Cash and cash equivalents at end of the year</b>		<b>11.838</b>	<b>19.940</b>

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## Note 1. Basis of preparation

The parent company's annual report for the period 1 January – 31 December 2023 with comparative figures comprises the financial statements of Christiania Shipping A/S ('the Company').

The parent company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and additional requirements from the Danish Financial Statements Act. Christiania Shipping A/S is a Limited Liability Company with its registered office in Denmark.

The Parent Company uses the same accounting policies for recognition and measurement as the Group. In such case, where the Parent Company's accounting policies differ from the Group, those are described below. For a detailed description of the Parent Company's accounting policies, see note 28 in the Consolidated Financial Statements.

The financial statements are presented in United States Dollars (USD). The financial statements are presented on the basis of historical cost prices.

### Results from investments in subsidiaries

Results from investments in subsidiaries comprises the individual entities' earnings after full elimination of internal gains and losses.

### Conversion of foreign currency

Exchange rate adjustments of receivables from or liabilities to subsidiaries, which are considered part of the parent company's investment in the subsidiary, are recognised in the income statement under financial items. In the consolidated financial statements, value adjustments are recognised in other comprehensive income.

### Investment in subsidiaries

Investments in subsidiaries are recognised and measured according to the equity method.

The total net revaluation of investments in subsidiaries is transferred through the distribution of profits to "Reserve for net revaluation according to equity method" under equity. The reserve is reduced by dividend payments to the parent company and is adjusted with other changes in equity in subsidiaries.

Subsidiaries with negative net asset value are recognised at USD 0, and a provision to cover the negative balance is recognised if such a present obligation for this purpose exists.

## Note 2. Significant accounting estimates, assumptions and uncertainties

For a description of significant accounting estimates, assumptions and uncertainties, see note 2 of the consolidated financial statements.

## Note 3. Revenue

See note 3 in the consolidated financial statements.

## Note 4. Voyage related expenses

See note 4 in the consolidated financial statements.

## Note 5. Staff costs

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
<b>Land based employees (included in administrative expenses)</b>		
Wages and salaries	2.300	2.059
Pensions	307	167
Bonus	1.040	185
Other social security expenses	28	24
<u>Other staff expenses</u>	<u>39</u>	<u>10</u>
	<b>3.714</b>	<b>2.445</b>
<b>Seafarers (included in operating expenses)</b>		
Wages and salaries	5.930	10.799
Pensions	157	207
Bonus	1	5
<u>Other staff expenses</u>	<u>987</u>	<u>54</u>
	<b>7.076</b>	<b>11.065</b>
<b>Total staff costs</b>	<b>10.789</b>	<b>13.510</b>
<b>Average employees</b>		
	<b>2023</b>	<b>2022</b>
Land based employees	18	16
<u>Seafarers</u>	<u>247</u>	<u>211</u>
	<b>265</b>	<b>227</b>

<b>Persons in the Board of Directors and key management, average</b>	<b>2023</b>	<b>2022</b>
Board of Directors*	3	3
Executive Management	5	2
	<b>8</b>	<b>5</b>

\* Axel C. Eitzen resigned as CEO on 1 January 2023 and took over as Chairman of the Board of Directors  
Fridtjof C. Eitzen resigned as Chairman of the Board of Directors on 1 January 2023 and took over as CEO

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
<b>Remuneration to key management personnel</b>		
Salaries	741	399
Bonus	369	33
Contribution based pension	65	22
Other employee benefits	39	14
Share-based payment benefits	-	33
	<b>1.214</b>	<b>502</b>
<b>Remuneration to Board Members</b>		
Board fees	60	103
	<b>60</b>	<b>103</b>

## Note 6. Sharebased payment

In December 2022, Christiania Shipping entered into an agreement regarding granting shares in the parent Company, Eitzen Avanti AS, to its employees. Such scheme was approved by shareholders at a Board Meeting dated 9 March 2022. Each share of nominal NOK 0.13 has a market value of NOK 10.55 on the day of the grant. All Christiania Shipping permanent employees who was employed by the Company as of the grant date are eligible to participate in the scheme. Employees may select not to participate in the scheme.

Shares issued by the Company are acquired on-market prior to the issue. Shares held by the Company and not yet issued to employees at the end of the reporting period are shown as treasury shares in the financial statements.

Under the scheme, eligible employees may be granted up to one months salary worth of fully paid ordinary shares in Eitzen Avanti AS for no cash consideration. The number of shares issued to the participants in the scheme is the offer amount divided by the weighted average price of the market value on the grant date and as part of employee benefit costs in the period the shares are granted.

There are no restrictions applied to the shares.

	<b>2023</b>	<b>2022</b>
Number of shares issued under the plan to participating employees on 20 December 2022	-	129.982

Each participant was issued shares worth a monthly salary. The shares had a grant date fair value of USD 138.183.

## Note 7. Fees to the auditor appointed at the general meeting

See note 7 in the consolidated financial statements.

## Note 8. Depreciations, impairments and gains/losses

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Depreciation of property, plant and equipment	2.428	3.313
Depreciation of right-of-use assets	948	1.114
<b>Depreciations</b>	<b>3.376</b>	<b>4.427</b>
Impairment gains/losses on vessels, ref. note 13	7.287	-
<b>Impairment gains/losses</b>	<b>7.287</b>	<b>-</b>
Gains/losses from sale of fixed assets	-	1.126
<b>Gains/losses</b>	<b>-</b>	<b>1.126</b>

## Note 9. Share of results in subsidiaries

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Share of result in subsidiary companies	3.932	5.353
<b>Total</b>	<b>3.932</b>	<b>5.353</b>

## Note 10. Financial income

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Interest income	490	101
Interest income related to intercompany loans	467	209
Dividends received	38	-
<b>Financial income</b>	<b>995</b>	<b>309</b>

## Note 11. Financial expenses

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Interest expenses on mortgage	-	638
Interest expenses related to leases	1.298	1.541
Interest expenses related to financing agreements	1.958	1.513
Interest expenses related to intercompany loans	-	135
Other interest expenses	6	32
Exchange rate losses	579	576
Other financial expenses	214	452
<b>Financial expenses</b>	<b>4.055</b>	<b>4.886</b>

## Note 12. Tax

USD '000	2023	2022
Tax on the results for the year	-66	-108
Adjustments of tax regarding previous years	12	-3
<b>Tax for the year recognized in the income statement</b>	<b>-54</b>	<b>-111</b>

The majority of the Company's income tax base is located in Denmark, and therefore subject to the Danish tonnage tax scheme. The Company renewed its participation in the tonnage tax scheme on 1 January 2021, with a binding period of 10 years.

The Company did not own any vessels upon entering the tonnage tax scheme; consequently, the Company has no deferred, or contingent, taxes from the transitional period.

Under the tonnage tax scheme, income and expenses from shipping activities are not subject to direct taxation and accordingly an effective rate reconciliation has not been provided as it would not provide any meaningful information. Instead, the taxable income is calculated from:

- The net tonnage of the vessels used to generate the income from shipping activities
- A rate applicable to the specific net tonnage of the vessel based on a sliding scale

In 2023, the Company have recognised a deferred tax asset of USD 161 thousand (2022: USD 108 thousand). There are no unrecognised tax liabilities associated with investments in foreign subsidiaries and jointly controlled companies.

## Note 13. Property, plant and equipment

USD '000	Vessels and dockings	Prepayments on vessels and dockings under construction	Total
Cost at 1 January 2023	74.614	42	74.656
Additions during the year	-	3.607	3.607
Disposals during the year	-	-	-
Transfer to/from other items	3.106	-3.106	-
<b>Cost at 31 December 2023</b>	<b>77.720</b>	<b>543</b>	<b>78.263</b>
Accumulated depreciations at 1 January 2023	-28.179	-	-28.179
Disposals during the year	-	-	-
Depreciations for the year	-2.428	-	-2.428
<b>Depreciations at 31 December 2023</b>	<b>-30.607</b>	<b>-</b>	<b>-30.607</b>
Write - downs at 1 January 2023	-18.236	-	-18.236
Reversal of write - downs for the year	7.287	-	7.287
<b>Write - downs at 31 December 2023</b>	<b>-10.949</b>	<b>-</b>	<b>-10.949</b>
<b>Carrying amount at 31 December 2023</b>	<b>36.164</b>	<b>543</b>	<b>36.707</b>

<b>USD '000</b>	<b>Vessels and dockings</b>	<b>Prepayments on vessels and dockings under construction</b>	<b>Total</b>
Cost at 1 January 2022	232.378	-	232.378
Additions during the year	19.954	2.510	22.465
Disposals during the year	-180.187	-	-180.187
Transfer to/from other items	2.468	-2.468	-
<b>Cost at 31 December 2022</b>	<b>74.614</b>	<b>42</b>	<b>74.656</b>
Accumulated depreciations at 1 January 2022	-97.165	-	-97.165
Disposals during the year	72.299	-	72.299
Depreciations for the year	-3.313	-	-3.313
<b>Depreciations at 31 December 2022</b>	<b>-28.179</b>	<b>-</b>	<b>-28.179</b>
Write - downs at 1 January 2022	-98.286	-	-98.286
Reversal of write - downs for the year	80.050	-	80.050
<b>Write - downs at 31 December 2022</b>	<b>-18.236</b>	<b>-</b>	<b>-18.236</b>
<b>Carrying amount at 31 December 2022</b>	<b>28.199</b>	<b>42</b>	<b>28.241</b>

During 2022, all Christiania Shipping's own vessels was moved to a newly established subsidiary, Christianiaship A/S based on booked values. Moreover, during 2022 one vessel was sold to an external party.

During 2022, three vessels have been sold to third parties with repurchase options and obligations. Christiania Shipping entered into lease contracts at the same time. These transactions have been treated as financing transactions.

Please refer to note 28 in the consolidated financial statements for further information.

### **Impairment test**

According to the Company's accounting policy, a write-down is made to the higher of the sales price (less costs to sell) and the value in use if there is an impairment indication.

As of 31 December 2023, Management assessed if any impairment indication exists for the Company's fleet. The fleet, including vessels chartered on time charter and bareboat charter agreements, is seen as one cash-generating unit (CGU). Following the assessment, Management has assessed that there is no impairment indication.

The demand for chemical vessels was weak for several years due to periods of oversupply of chemical vessels as well as the general impact of covid worldwide. At the end of 2021 there was a gradual market recovery which continued and into a firm market recovery in 2022 and 2023.

As of 31 December 2023, Management assessed if any indications for reversal of impairments exists for the vessels in the Company's fleet which carries previously recognised impairment losses. An impairment test was performed at the end of 2023 in order to assess potential reversal of previously recognised impairment.

The vessels which carries previously recognized impairment losses is defined as separate CGUs. A WACC of 9% was used for the calculation.

The value-in-use calculation indicated substantial headroom and prior year impairments of USD 7.3 million were reversed. The value-in use calculation is particularly sensitive to even minor fluctuations in freight rates and WACC. As an example of these sensitivities, a reduction of the assumed freight rates of USD 1,000 per day would affect the value-in-use negatively by approximately USD 4.6 million. An increase in WACC of 1% would affect the value-in-use negatively by approximately USD 0.1 million.

## Note 14. Leases

USD '000	2023	2022
<b>Right-of-use assets</b>		
Cost at 1 January	17.628	29.106
Additions during the year	17.186	54
Disposals during the year	-	-11.532
<b>Cost at 31 December</b>	<b>34.814</b>	<b>17.628</b>
Depreciation at 1 January	-3.638	-2.524
Depreciation during the year	-948	-1.114
<b>Depreciation at 31 December</b>	<b>-4.586</b>	<b>-3.638</b>
<b>Carrying amount at 31 December</b>	<b>30.228</b>	<b>13.990</b>
USD '000	2023	2022
<b>Lease liabilities</b>		
Within 1 year	3.047	932
Between 1 and 3 years	6.253	2.092
Over 3 years	20.446	10.845
<b>Lease liability recognised</b>		
Current	3.047	932
Non-current	26.699	12.937
<b>Lease liability at 31 December</b>	<b>29.745</b>	<b>13.869</b>
USD '000	2023	2022
<b>Amounts recognised in the income statement</b>		
Depreciations charges of right-of-use assets	948	1.114
Interest expenses (included in financial expenses)	1.298	1.541
Expenses relating to short-term leases	10.544	14.784
Expenses relating to variable lease payments not included in lease liabilities	-	-
Expenses related to leases of low-values assets not included in short-term leases	-	-

The total cash outflow for leases in 2023 was USD 2.6 million (2022: USD 2.9 million).

The Company's leasing activities primarily consists of bareboat charter leases, which have a duration of up to ten years. Leasing arrangements are accounted for as described in note 28 in the consolidated financial statements.

## Note 15. Other financial assets

See note 14 in the consolidated financial statements.

## Note 16. Investments in subsidiaries

USD '000	2023	2022
Cost at 1 January	7.000	231
Additions	10.066	6.769
<b>Cost at 31 December</b>	<b>17.066</b>	<b>7.000</b>
Revaluation at 1 January	5.399	46
Share of result for the year	3.932	5.353
Other movements for the year	-	-
<b>Revaluation at 31 December</b>	<b>9.331</b>	<b>5.399</b>
<b>Carrying amount at 31 December</b>	<b>26.397</b>	<b>12.399</b>

Company	Location	Nature of investment	2023		2022	
			Net profit USD '000	Equity USD '000	Net profit USD '000	Equity USD '000
Christiania Shipping France SARL	France	100% owned	51	363	35	312
Christianship A/S*	Denmark	100% owned	3.881	26.034	5.318	12.087

\*Christianship A/S was established on 20 June 2022.

## Note 17. Trade receivables

USD '000	2023	2022
Receivables from invoiced voyages	6.439	8.229
Receivables from voyages commenced at the balance sheet date	2.489	5.113
Provisions for bad debt	-	-50
<b>Trade receivables</b>	<b>8.928</b>	<b>13.291</b>
Hereof:		
Not due	2.236	3.107
Overdue 1-90 days	4.203	5.010
Overdue more than 90 days	-	112
	<b>6.439</b>	<b>8.229</b>

The fair value of trade receivables approximates the carrying amount.

A provisioning account is used to reduce the carrying amount of receivables from sales and services whose value is impaired due to loss risk.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information. The credit risk is generally considered immaterial.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

## Note 18. Prepayments

USD '000	2023	2022
Prepayments regarding time charter and bareboat charter agreements	574	1.611
Insurance prepayments	25	27
Other prepayments to suppliers etc.	558	680
<b>Prepayments</b>	<b>1.156</b>	<b>2.318</b>

## Note 19. Cash and cash equivalents

USD '000	2023	2022
USD	1.946	7.122
EUR	1.316	12.580
GBP	0	0
DKK	153	211
JPY	8.408	-
Other currencies	15	27
<b>Cash and cash equivalents</b>	<b>11.838</b>	<b>19.940</b>
Hereof:		
Unrestricted	11.838	19.940
Restricted	-	-
	<b>11.838</b>	<b>19.940</b>

## Note 20. Share capital

See note 18 in the consolidated financial statements.

## Note 21. Financing arrangements

The Company has entered into sale-and-leaseback agreements. The Company has purchase options for the vessels and when the financing expires, the Company has a purchase obligation to acquire the vessels at an agreed value.

<u>Borrower</u>	<u>Lender</u>	<u>Financing 31.12.2023</u>	<u>Financing 31.12.2022</u>
Christiania Shipping A/S	Kyowa Shipping Corporation	5.842	6.476
Christiania Shipping A/S	Ujigami Kaiun Co. Ltd.	10.742	11.349
Christiania Shipping A/S	Hisamoto Kisen Co. Ltd.	7.158	8.005
Christiania Shipping A/S	Ross Chemicals AS	1.719	2.166
Christiania Shipping A/S	Wavefront Asset Management	641	331
<b>Total financing</b>		<b>26.102</b>	<b>28.327</b>

In accounting for a financing arrangement, the Company continues to recognise the transferred assets and recognises a financial liability for the consideration received from lender. The financial liability is subsequently measured at amortized cost.

## Note 22. Trade payables

<u>USD '000</u>	<u>2023</u>	<u>2022</u>
Payables for good and services	7.664	6.736
<b>Trade payables</b>	<b>7.664</b>	<b>6.736</b>

## Note 23. Changes in working capital

<u>USD '000</u>	<u>2023</u>	<u>2022</u>
Change in inventories	86	756
Change in trade receivables	-4.363	7.875
Change in other receivables	128	-71
Change in prepayments	-1.161	249
Change in trade payables	-928	2.381
Change in other liabilities	394	790
Change in deferred income	1.675	-996
<b>Change in working capital excl. accrued interest and tax liabilities</b>	<b>-4.170</b>	<b>10.983</b>

## Note 24. Unrecognised contingent assets and liabilities

See note 23 in the consolidated financial statements.

The Parent company is guarantor for the loan facility in its subsidiary, Christianiaship A/S.

## Note 25. Related party disclosures and transactions with related parties

See note 25 in the consolidated financial statements.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

USD '000	2023	2022
Receivable from Christiania Energy A/S	59	-
Receivable from Eitzen Avanti AS	-	5.498
Receivable from Christianiaship A/S	-	1.168
Payable to Eitzen Avanti AS	3.968	-
Payable to Christianiaship A/S	319	-
Payable to SunChris Ship Management Pte. Ltd.	-	82
Payable to Camillo Eitzen & Co AS	-	178
Payable to Christiania Shipping France S.A.R.L.	177	579
<b>31 December</b>	<b>4.524</b>	<b>7.506</b>

During the year, the Company has paid time charter hire to Christianiaship A/S of USD 32.2 million (2022: USD 15.8 million) and RF Tankers AS of USD 6.8 million (2022: USD 4.1 million).

## Note 26. Financial risks

See note 26 in the consolidated financial statements.

### Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings:

31 December 2023 USD '000	Under 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	7.664	-	-	-	7.664	7.664
Lease liability	3.047	3.113	9.658	13.927	29.745	29.745
Financing arrangements	3.464	4.165	9.943	9.231	26.802	26.102
Payables to parent company	3.968	-	-	-	3.968	3.968
<b>Total</b>	<b>18.143</b>	<b>7.277</b>	<b>19.601</b>	<b>23.158</b>	<b>68.179</b>	<b>67.479</b>
31 December 2022 USD '000	Under 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Trade payables	6.736	-	-	-	6.736	6.736
Lease liability	932	1.009	3.384	8.547	13.872	13.869
Financing arrangements	2.678	3.450	10.268	12.538	28.934	28.327
<b>Total</b>	<b>10.346</b>	<b>4.459</b>	<b>13.652</b>	<b>21.085</b>	<b>49.542</b>	<b>48.932</b>

### Categories of financial instruments

The carrying amounts for the Group's financial instruments are shown below:

<b>USD '000</b>	<b>2023</b>	<b>2022</b>
Other financial asset	8.259	-
Cash and cash equivalents	11.838	19.940
Trade receivables	8.928	13.291
<b>Financial assets measured at amortised cost</b>	<b>29.025</b>	<b>33.231</b>
Derivatives	1.230	-
<b>Financial assets measured at fair value</b>	<b>1.230</b>	<b>-</b>
Lease liabilities	29.745	13.869
Financing arrangements	26.102	28.327
Trade payables	7.664	6.736
<b>Financial liabilities measured at amortised cost</b>	<b>63.511</b>	<b>48.932</b>

### Note 27. Subsequent events

See note 27 in the consolidated financial statements.

# Statement by the Board of Directors and Executive Management

The Board of Directors and the Executive Management have today considered and approved the consolidated financial statements and the parent financial statements of Christiania Shipping A/S for the financial year 1 January to 31 December 2023.

The consolidated financial statements and the parent financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the financial statements of the parent company give a true and fair view of the financial position as of 31

December 2023 for the Group and the parent company's operations and the Group's consolidated cash flow for the financial year 2023.

In our opinion the Board of Directors Report provides a fair review of the development in the operations and financial circumstances of the Group and the parent company, of the results for the year and of the financial position of the Group and the parent company as well as a description of the most significant risks and elements of uncertainty which the Group and parent company are facing.

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

Copenhagen, 28 June 2024

## Executive Management

Fridtjof Camillo Eitzen

Chief Executive Officer

## Board of Directors

Axel Camillo Eitzen

Chairman

Fridtjof Camillo Eitzen

Board member

Axel Stove Lorentzen

Board member

# Independent Auditor's Report

## To the Shareholder of Christiania Shipping A/S

### Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2023 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2023 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Christiania Shipping A/S for the financial year 1 January to 31 December 2023, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity and notes, including material accounting policy information, for both the Group and the Parent Company, as well as cash flow statement for the Group ("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' 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 the 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 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 Financial Statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the 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 judgment 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Copenhagen, 28 June 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Søren Ørjan Jensen

State Authorised Public Accountant

mne33226

Martin Birch

State Authorised Public Accountant

mne42825

## Definitions and glossary

### Definitions and Glossary

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Key figures and key ratios are defined and calculated in accordance with the Danish Association of Financial Analyst's "Recommendations and Financial Ratios".

<b><u>Key ratios</u></b>	<b><u>Calculation formula</u></b>	<b><u>Comments</u></b>
TCE-margin (%)	$\frac{\text{TCE earnings}}{\text{Revenue}}$	The key figure reflects the percentage of revenue, minus voyage related costs that cover capacity costs, net financing costs, taxes and profit.
EBITDA-margin (%)	$\frac{\text{EBITDA}}{\text{Revenue}}$	The key figure reflects the entity's operational profitability.
EBIT-margin (%)	$\frac{\text{EBIT}}{\text{Revenue}}$	The key figure reflects the entity's true business costs.
Return on Invested Capital (%)	$\frac{\text{EBITA}}{\text{Avg. invested capital}}$	The key figure reflects the entity's ability to generate return on invested capital through operations.
Return on Equity (%)	$\frac{\text{Result of the year}}{\text{Avg. equity}}$	The key figure reflects an entity's ability to generate returns to shareholder when taking into account the entity's capital base.
Equity ratio	$\frac{\text{Net interest-bearing debt}}{\text{Equity}}$	The key figure reflects the financial gearing of the entity, expressed as the sensitivity to fluctuations in interest rates, etc. A high financial gearing translates into a high financial risk.

### **Non-GAAP measures**

Time charter equivalent earnings = Net freight income – Voyage related expenses

## Company information

### Christiania Shipping A/S

Amerika Plads 38

2100 København Ø

Registration no. 40 53 35 16

[www.christiania-shipping.com](http://www.christiania-shipping.com)

## Board of Directors and Management

### BOARD OF DIRECTORS – Christiania Shipping A/S

- Axel Camillo Eitzen  
Board member since January 2018, Chairman since January 2023
- Fridtjof Camillo Eitzen  
Board member since December 2020
- Axel Stove Lorentzen  
Board member since December 2020

### KEY MANAGEMENT PERSONNEL

- Fridtjof Camillo Eitzen – Chief Executive Officer  
Employed January 2023
- Snorre Schie Krogstad – Chief Financial Officer  
Employed February 2022
- Torben Larsen – Chief Operational Officer  
Employed January 2018
- Rune Eriksen Lorentsen – Chief Operating Manager  
Employed April 2018
- Anne Sofie Reimann – Chief Accounting & Reporting Officer  
Employed December 2023