



Seapeak Marlin A/S

Kalvebod Brygge 39-41

DK - 1560 Copenhagen

CVR No. 40 08 40 37

Annual report

for the year ended 31 December 2022

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

.....
Michel Christian Nielsen

Contents

Company details	2
Statement by Executive Board and Board of Directors on the annual report	3
Independent auditor's report	4
Financial highlights	7
Management's commentary	8
Accounting policies	11
Income statement	16
Balance sheet	17
Equity Statement	19
Cash flows statement	20
Notes	21

Company details

Seapeak Marlin A/S
Kalvebod Brygge 39-41
DK – 1560 Copenhagen
CVR No. 40 08 40 37

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

Executive Board
Ajay Kumar Arora, (CEO)

Auditors
Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK – 2300 Copenhagen S

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

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

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

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

In our opinion, management’s review includes a fair review of the matters dealt with in the management’s review.

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

Copenhagen, 31 May 2023

Executive board:

.....
Ajay Kumar Arora

Board of Directors:

.....
Michel Christian Nielsen (Chairman)

.....
Pia Lindberg

.....
Nathan Kim

Independent auditor's report

To the shareholder of Seapeak Marlin A/S

Opinion

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations and cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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

Copenhagen, 31 May 2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Brian Schmit Jensen

State Authorised Public Accountant

Identification No (MNE) mne40050

Financial highlights

	2022	2021	2020	2019*
Key figures for the Company (in 000'USD)				
Gross profit	11,108	10,650	11,973	7,742
EBITDA	6,608	6,074	7,345	4,325
EBIT	1,138	0,640	1,903	0,255
Net financials	(5,470)	(5,433)	(5,442)	(4,069)
Net profit for the year	1,145	0,637	1,895	0,255
Equity at year end	44,088	42,864	42,227	40,332
Total assets	114,730	119,549	123,837	129,093
Investments in tangible assets	0	0	0	128,808
Ratios				
Equity ratio	38.36%	35.85%	34.10%	31.24%
Return on equity	2.64%	1.5%	4.59%	0.63%

*2019 consists of 13 months as the Company was incorporated in 12.12.18. The Company had no activity in 2018. No adjustment for the financial year 2019 has been made as the effect is nil.

Definition of financial ratios:

Equity ratio: $\text{Equity} / \text{Total assets} * 100$

Return on equity: $\text{Net profit/loss for the year} / \text{Average equity in the year} * 100$

Management's **commentary**

Business activities and mission

The objectives of the Company are to carry on shipping business. Seapeak Marlin A/S has commercial control of 1 very large ethane carrier (VLEC). The ethane vessel is operated on long term contract. The focus is to make gas transportation simple and safe, and to set new standards for efficient and sustainable gas transportation at sea.

Business review

The Company's result for 2022 is a profit of USD 1.144.804 against a profit of USD 636.518 in 2021. Result is in line with expectations from the annual report last year.

The Company's total assets per 31 December 2022 is USD 114.7 million (2021: USD 119.5 million).

The vessel's value (including fixtures and fittings) is the most significant asset value of USD 111.7 million in 2022 (2021: USD 116.6 million) against an interest-bearing leasing debt of USD 62.8 million (2021: USD 66.7 million). As per 31 December 2022, the Company has current assets of USD 2.2 million (2021: USD 2.3 million) against current liabilities of USD 5.6 million (2021: USD 5.5 million).

The Company has cash and cash equivalents of USD 1.4 million as of 31 December 2022 (2021: USD 2.3 million).

The company's equity per 31 December 2022 is USD 44.0 million (2021: USD 42.8 million).

Risk factors

The Company's vessel is on a long term time charter agreement but the Company still have the counterparty risk and the risk of the residual value.

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

Presently the Company has entered into a time charter contract where the cost of bunker fuel by nature belongs to the Charterer.

The Company has aimed to secure counterparty risk by entering into a long term contract with a major chemical company.

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

Intellectual property

Not considered relevant for the Company.

Research and Development

Not considered relevant for the Company.

Health, safety, environment, and climate

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

The Company is engaged in running day to day operations with highest standards of safety and quality.

Most countries relaxed border control measures, resulting in crew change returning to normal. The Company maintained a sharp focus on crew relief and ensured that the majority of crew were relieved within their contract duration. 100% of our crew employed were vaccinated against COVID-19. The protocols were maintained for safety of shipboard operations.

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

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

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

The installation of variable frequency drive (VFD) for sea water pumps and LED lights are also among the initiatives introduced to reduce emissions.

The Company is actively participating in the EU MRV and IMO DCS schemes to report emissions. As a result of these operational initiatives and technical innovations, there has been a consistent reduction in vessel emission parameters year on year.

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

Outlook

The Company expects a positive result for 2023 in the range of USD 1.0-1.3 million.

Subsequent event

Except from the matters mentioned below no other events after the balance date has occurred.

With effective from 31 January 2023 the Company has changed name from Raphaele Shipping A/S to Seapeak Marlin A/S.

Going concern assessment

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

Accounting policies

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

The accounting policies used in the preparation of the financial statements have been changed to be in line with reporting class C.

Reporting currency

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

Foreign currency retranslation

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

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

Income statement

Revenue and voyage related expenses

Income is recognized in the income statement when:

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

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

Other external expenses

Other external expenses include other operating expenses for the vessels like crewing, insurance, technical expenses and management fees and expenses related to sale, administration, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items Revenue through other external expenses are combined into one-line item designated Gross profit.

Accounting policies - continued

Depreciation and impairment of fixed assets

Depreciation includes depreciation and impairment of fixed assets.

Fixed assets are depreciated on a straight-line basis to the residual value, based on the cost less impairment, based on the following assessment of the useful lives:

	<u>Useful life</u>
Vessel	25 years
Dry Dock	5 years

Residual value for the vessel is estimated to 20.9 MUSD (31 December 2021: 19.2 MUSD). The residual value is determined at the time of acquisition based on the market steel price and is reassessed every year.

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

Gains or losses on the sale of fixed assets are recognized in the income statement under 'Other income/Other expenses'.

Net Financials

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

Tax

Tax for the year includes current tax on the year's expected taxable income according to Tonnage Tax Scheme.

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

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

Accounting policies - continued

Balance sheet

Vessels

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

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

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

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

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

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

Other non-current assets

Other non-current assets comprise of deposit and other assets measured at amortized cost.

Deposit is measured at the lower of amortized cost and net realizable value.

Inventories

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

Receivables

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

Prepayments

Prepayments recognized under 'Assets' comprise prepaid expenses regarding subsequent reporting years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

Accounting policies - continued

Financial leases

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

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

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

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

Equity

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

Income taxes

Income taxes is calculated according to the regulations of the Danish Tonnage Tax Act for shipping activities and according to general tax regulation for net financial income. Shipping activities are taxed on the basis of the net tonnage at disposal.

Financial liabilities

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

Other liabilities

Other liabilities are measured to amortized cost, which essentially corresponds to the fair value.

Deferred income – current liability

Deferred income recognized as a liability comprises payments received to be recognized as income within the next year.

Accounting policies – continued

Cash flow statement

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

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

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

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

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

Income statement
1 January – 31 December

	Notes	2022 USD	2021 USD
Gross profit	2	11,108,129	10,650,174
Depreciation of fixed assets		<u>(4,499,882)</u>	<u>(4,576,308)</u>
Profit before net financials		6,608,247	6,073,866
Other financial income	4	7,947	2,367
Other financial expenses	5	<u>(5,477,863)</u>	<u>(5,435,851)</u>
Profit before tax		1,138,331	640,382
Tax for the year	6	<u>6,473</u>	<u>(3,864)</u>
Net profit for the year		<u>1,144,804</u>	<u>636,518</u>

Which the supervisory board recommends is carried forward to next year.

Proposed distribution of profit

Transferred to retained earnings	<u>1,144,804</u>	<u>636,518</u>
Total appropriation	<u>1,144,804</u>	<u>636,518</u>

**Balance sheet
at 31 December**

	Notes	2022 USD	2021 USD
Assets			
Non-current assets			
Fixed assets			
Vessels and dry dock	7	<u>111,686,183</u>	<u>116,186,065</u>
		<u>111,686,183</u>	<u>116,186,065</u>
Financial assets			
Other non-current assets	8	<u>878,322</u>	<u>1,057,209</u>
		<u>878,322</u>	<u>1,057,209</u>
Total non-current assets		<u>112,564,505</u>	<u>117,243,274</u>
Current assets			
Inventories			
Inventories		<u>267,610</u>	<u>175,498</u>
		<u>267,610</u>	<u>175,498</u>
Receivables			
Other receivables		27,440	63,877
Prepayments	9	<u>468,558</u>	<u>287,062</u>
		<u>495,998</u>	<u>350,939</u>
Cash and cash equivalents		<u>1,401,550</u>	<u>1,779,123</u>
Total current assets		<u>2,165,158</u>	<u>2,305,560</u>
Total assets		<u>114,729,663</u>	<u>119,548,834</u>

Balance sheet
at 31 December

	Notes	2022 USD	2021 USD
Equity and liabilities			
Equity			
Share capital	10	40,076,274	40,076,274
Retained earnings		<u>3,932,107</u>	<u>2,787,303</u>
Total equity		<u>44,008,381</u>	<u>42,863,577</u>
Liability			
Leasing debt	11	62,817,282	66,664,422
Payables to group enterprise	11	<u>2,259,385</u>	<u>4,566,222</u>
Long-term liability		<u>65,076,667</u>	<u>71,230,644</u>
Leasing debt	11	3,847,140	3,822,447
Trade payables		480,253	322,465
Other payables		11,967	4,446
Deferred income	12	<u>1,305,255</u>	<u>1,305,255</u>
Short-term liabilities		<u>5,644,615</u>	<u>5,454,613</u>
Total liabilities		<u>70,721,282</u>	<u>76,685,257</u>
Total equity and liabilities		<u>114,729,663</u>	<u>119,548,834</u>
Going concern	1		
Employee expenses	3		
Security of loan	13		
Contingent assets and liabilities and other financial obligations	14		
Related parties	15		

Equity Statement
At 31 December

	<u>Share Capital</u>	<u>Accumulated Profit</u>	<u>Total</u>
Equity 1/1 2022	40,076,274	2,787,303	42,863,577
Transfer of the year	<u>0</u>	<u>1,144,804</u>	<u>1,144,804</u>
Equity 31/12 2022	<u>40,076,274</u>	<u>3,932,107</u>	<u>44,008,381</u>

Cash flows statement

At 31 December

	Notes	2022 USD	2021 USD
Cash flows from operating activities			
Profit before tax		1,138,331	640,382
Adjustment for:			
- Net financial expenses		5,477,863	5,435,851
- Depreciation of fixed asset		4,499,882	4,576,308
- Other non-current assets		<u>178,887</u>	<u>178,886</u>
Operating cash flows before changes in working capital		11,294,963	10,831,427
Total changes in working capital			
- Inventories		(92,112)	(31,684)
- Other receivables		36,437	(58,520)
- Prepayments		(181,496)	11,625
- Trade payables		157,778	216,864
- Other payables		7,521	(59,526)
- Amounts due to related companies		<u>0</u>	<u>(5,801,563)</u>
Cash from operations		11,223,101	5,108,623
Interest paid		(5,430,310)	(5,387,991)
Income tax refund (paid)		<u>6,473</u>	<u>(3,864)</u>
Net cash flows from (used in) operating activities		<u>5,799,264</u>	<u>(283,232)</u>
Cash flows from financing activities			
(Repayment) loan from immediate parent company		(2,306,837)	4,566,222
Repayment of leasing debt		<u>(3,870,000)</u>	<u>(3,895,000)</u>
Net cash flows (used in) from financing activities		<u>(6,176,837)</u>	<u>671,222</u>
Net (decrease) increase in cash and cash equivalents		(377,573)	387,990
Cash and cash equivalent, statement of cash flows, beginning balance		<u>1,779,123</u>	<u>1,391,133</u>
Cash and cash equivalents, statement of cash flows, ending balance		<u>1,401,550</u>	<u>1,779,123</u>

Notes

Note 1. Going concern and subsequent events

As per 31 December 2022, the Company's current liabilities exceeded its current assets by TUSD 3,479, which in 2023 will be covered by positive cash flows from the operation of the vessel.

The Board of Directors has considered the Company's cash flow forecast for a period not less than 12 months from the date of the balance sheet. The current cash flow forecast for 2023 is positive. The management has received a financial support letter from Seapeak LLC which will provide financial support 12 months after signing the financial statement. Based on this review the Board of Directors has concluded that it is appropriate for the Company to continue to apply the going concern principle when preparing the financial statements and there is no material uncertainty related to the above conditions that may cast significant doubt on the ability of the Company to continue as a going concern.

Note 2. Revenue

Seapeak Marlin A/S is carrying out shipping business worldwide. With reference to §96 in the Danish Financial Statements act and for competitive reason, Seapeak Marlin A/S does not disclose a revenue split into geographic or business segment.

Note 3. Employee expenses

No wages and salaries were paid during the financial year as the Company has no employees. Crewing is outsourced to external providers, and administration and management is outsourced to other group companies.

Note 4. Other financial income

Interest income banks

	2022 USD	2021 USD
	<u>6,070</u>	<u>2,367</u>
	<u>6,070</u>	<u>2,367</u>

Note 5. Other financial expenses

Interest expense, leasing debt

Interest expense, group enterprise

Amortization of borrowing costs

Other financial expenses

	5,291,500	5,266,500
	132,915	94,283
	47,553	47,860
	<u>5,895</u>	<u>27,208</u>
	<u>5,477,863</u>	<u>5,435,851</u>

Notes – continued

Note 6. Tax for the year

The taxable income for 2022 is calculated based on the rules under the Danish Tonnage tax regime, which is binding until 2030.

The Company is jointly taxed with Seapeak Maritime Holdings (Denmark) A/S, which acts as administration company, and is jointly liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

Note 7. Fixed assets

	Vessel
	USD
Cost	
Balance at 1/1	128,807,821
Additions in the year	0
Disposals in the year	<u>0</u>
Cost at 31/12	<u>128,807,821</u>
Depreciation	
Balance at 1/1	12,621,756
Depreciation in the year	<u>4,499,882</u>
Depreciation at 31/12	<u>17,121,638</u>
Carrying amount at 31/12	<u>111,686,183</u>

The vessel is not owned by the Company but recognized on the balance sheet as a financial leased asset.

The carrying amount of the Company's vessel includes borrowing costs arising from financing the construction of the vessel. Borrowing costs capitalized as part of the cost of this vessel amounts to US\$ 3,122,872 at 31 December 2022.

Notes - continued

	2022	2021
	USD	USD
Note 8. Other non-current assets		
Long termed financial asset	820,000	820,000
Deferred cost	<u>58,322</u>	<u>237,209</u>
	<u><u>878,322</u></u>	<u><u>1,057,209</u></u>

The long termed financial asset is a deposit which has been provided during the year to the lenders as security for the loan.

The deferred cost relates to costs and incentives caused by a delay of the delivery of the vessel which are amortised against the charter income over the life of the time charter contracts.

	2022	2021
	USD	USD
Note 9. Prepayments		
Prepaid insurance	231,756	108,176
Other prepayments	<u>236,802</u>	<u>178,886</u>
	<u><u>468,558</u></u>	<u><u>287,062</u></u>

Note 10. Share capital

	2022
	USD
Analysis of the Company's share capital, USD 40,076,274:	
73,608,000 shares of DKK 1	<u>40,076,274</u>

Apart from the incorporation, there has been a capital increase from debt conversion in September 2019 of DKK 73,108,000.

Notes - continued

Note 11. Long/short-term liabilities

Breakdown of leasing debt and payables to group enterprise by long-term and short-term liabilities:

	<u>Falling due between 1 and 5 years</u>	<u>Falling due after more than 5 years</u>	<u>Total long-term liabilities at 31/12 2022</u>	<u>Falling due within 1 year</u>	<u>Total</u>
Leasing debt	62,817,282	0	62,817,282	3,847,140	66,664,422
Payables to group enterprise	<u>2,259,385</u>	<u>0</u>	<u>2,259,385</u>	<u>0</u>	<u>2,259,385</u>
	<u>65,073,667</u>	<u>0</u>	<u>65,073,667</u>	<u>3,847,140</u>	<u>68,923,807</u>

The leasing debt is guaranteed by the related parties JHW Engineering & Contracting Limited and Mortimer Pte Ltd which guarantees 100% of this debt. On 29 December 2022, Seapeak LLC has replaced Mortimer Pte. Ltd. to be guarantor following by ownership change. The guarantee by JHW Engineering & Contracting Limited has been fully released on the same date. No financial covenant is required to be respected by the borrowers and guarantors.

The leasing debt is ordinarily repayable incrementally in 83 consecutive monthly installments at 0.4% and the last installment at 67.27% as a balloon payment of the debt, whereby US\$ 3,895,000 is to be repaid in 2023 according to repayment schedule.

An amount of USD 820,000 under other non-current asset is a deposit that has been provided to lender to secure the leasing debt.

Note 12. Deferred income

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

Note 13. Security of loan

The vessel has been leased under long-term bareboat charters effective upon delivery. All shares in Seapeak Marlin A/S is pledged as security for the leasing debt. Book value of the pledged shares is USD 40,076,274.

Note 14. Contingent liabilities and other financial obligations

At 31 December 2022, the Company has obligations under a Technical Management agreement of USD 269,634.

Notes - continued

Note 15. Related parties

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

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

Seapeak LLC, 2000, 550 Burrard Street, Vancouver, B.C., Canada, V6C 2K2.

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

The consolidated financial statements of Greenship Gas Trust and Seapeak LLC is available at the Company's address: Kalvebod Brygge 39-41, Copenhagen DK-1560.

Related transactions

In accordance with section 98 c(7) of the Danish Financial Statements Act, the company has not disclosed any related party transactions as they were conducted on an arm's length basis.