



# Raphaelle Shipping A/S

Kalvebod Brygge 39-41  
DK - 1560 Copenhagen  
CVR No. 40 08 40 37

## Annual report

for the year ended 31 December 2021

Approved at the annual general meeting of shareholders  
on May 2022

.....  
Pia Lindberg

## Contents

Company details	2
Statement by Executive Board and Board of Directors on the annual report	3
Independent auditor's report	4
Management's review	7
Accounting policies	8
Income statement	12
Balance sheet	13
Notes	15

## **Company details**

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

### ***Board of Directors***

Philippe Christian Michel Soulié (Chairman)  
Christian Franck Lefevre  
Steffen Ulrik Jacobsen

### ***Executive Board***

Steffen Ulrik Jacobsen, (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 Raphaëlle Shipping A/S for the financial year 1 January – 31 December 2021.

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 2021 and of the results of the Company’s operations for the financial year 1 January 2021 – 31 December 2021.

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, 23rd May 2022

Executive board:

.....  
Steffen Jacobsen

Board of Directors:

.....  
Philippe Christian Michel Soulié  
(Chairman)

.....  
Christian Franck Lefevre

.....  
Steffen Ulrik Jacobsen

## **Independent auditor's report**

### **To the shareholder of Raphaelle Shipping A/S**

#### **Opinion**

We have audited the financial statements of Raphaelle Shipping A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. 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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 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, 23rd May 2022

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Kim Takata Mücke**

State Authorised Public Accountant

Identification No (MNE) mne10944

## **Management's review**

### **Business activities and mission**

The objectives of the Company are to carry on shipping business.

### **Business review**

The Company's result for 2021 is a profit of USD 636,518 against a profit of USD 1,895,346 in 2020 and the Company's balance sheet at 31 December 2021 shows an equity of USD 42,863,577 against an equity of USD 42,227,059 in 2020.

The Company expects a positive result for 2022 in the range of USD million 1.2 – 1.4.

### **Going concern assessment**

For a description of the going concern assessment at 31 December 2021, refer to note 1.

## **Accounting policies**

The annual report of Raphaele Shipping A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities with addition of certain provisions for reporting class C.

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

### **Reporting currency**

The financial statements are presented in USD, based on bookkeeping records maintained in USD. The financial statements are presented in USD to match the functional currency of the Company, which is also USD. The exchange rate between USD/DKK per 31 December 2021 was 6.56 against 6.06 per 31 December 2020.

### **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**

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 19.2 MUSD (31 December 2020: 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.

Other assets measured at amortized cost are amortized over the minimum contracted life- time of the time charter agreement.

#### **Inventories**

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

#### **Receivables**

Trade 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.

**Income statement**  
**1 January – 31 December**

		<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>USD</b>	<b>USD</b>
<b>Gross profit</b>		10,650,174	11,972,863
Depreciation of fixed assets		<u>(4,576,308)</u>	<u>(4,628,311)</u>
<b>Profit before net financials</b>		<b>6,073,866</b>	<b>7,344,552</b>
Other financial income	3	2,367	14,215
Other financial expenses	4	<u>(5,435,851)</u>	<u>(5,455,786)</u>
<b>Profit before tax</b>		<b>640,382</b>	<b>1,902,982</b>
Tax for the year	5	<u>(3,864)</u>	<u>(7,636)</u>
<b>Net profit for the year</b>		<u><b>636,518</b></u>	<u><b>1,895,346</b></u>

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

<b>Proposed distribution of profit</b>			
Transferred to retained earnings		<u>636,518</u>	<u>1,895,346</u>
<b>Total appropriation</b>		<u><b>636,518</b></u>	<u><b>1,895,346</b></u>

**Balance sheet**  
at 31 December

	Notes	2021 USD	2020 USD
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Vessels and dry dock	6	<u>116,186,065</u>	<u>120,762,373</u>
		<b><u>116,186,065</u></b>	<b><u>120,762,373</u></b>
<b>Financial assets</b>			
Other non-current assets	7	<u>1,057,209</u>	<u>1,236,095</u>
		<b><u>1,057,209</u></b>	<b><u>1,236,095</u></b>
<b>Total non-current assets</b>		<b><u>117,243,274</u></b>	<b><u>121,998,468</u></b>
<b>Current assets</b>			
<b>Inventories</b>			
Inventories		<u>175,498</u>	<u>143,814</u>
		<b><u>175,498</u></b>	<b><u>143,814</u></b>
<b>Receivables</b>			
Other receivables		63,877	5,357
Prepayments		<u>287,062</u>	<u>298,687</u>
		<b><u>350,939</u></b>	<b><u>304,044</u></b>
<b>Cash and cash equivalents</b>		<b><u>1,779,123</u></b>	<b><u>1,391,133</u></b>
<b>Total current assets</b>		<b><u>2,305,560</u></b>	<b><u>1,838,991</u></b>
<b>Total assets</b>		<b><u>119,548,834</u></b>	<b><u>123,837,459</u></b>

**Balance sheet**  
at 31 December

	Notes	2021 USD	2020 USD
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital		40,076,274	40,076,274
Retained earnings		<u>2,787,303</u>	<u>2,150,785</u>
<b>Total equity</b>		<b><u>42,863,577</u></b>	<b><u>42,227,059</u></b>
<b>Liability</b>			
Leasing debt	7	66,664,422	70,486,870
Payables to group enterprise		<u>4,566,222</u>	<u>0</u>
<b>Long-term liability</b>		<b><u>71,230,644</u></b>	<b><u>70,486,870</u></b>
Leasing debt	7	3,822,447	3,847,140
Trade payables		322,465	105,599
Payables to group enterprise		0	5,801,563
Other payables		4,446	63,972
Deferred income		<u>1,305,255</u>	<u>1,305,255</u>
<b>Short-term liabilities</b>		<b><u>5,454,613</u></b>	<b><u>11,123,530</u></b>
<b>Total liabilities</b>		<b><u>76,685,257</u></b>	<b><u>81,610,400</u></b>
<b>Total equity and liabilities</b>		<b><u>119,548,834</u></b>	<b><u>123,837,459</u></b>
Going concern	1		
Employee expenses	2		
Contingent assets and liabilities and other financial obligations	8		
Related parties	9		

## Notes

### **Note 1. Going concern**

As per 31 December 2021, the Company's current liabilities exceeded its current assets by TUSD 3,149, which in 2022 will be covered by positive cash flows from the operation of the vessel.

Due to the continuing corona virus pandemic, the Company keeps ensuring measures to protect crew and the operation of its vessel, among other things to implement 100% fully vaccination of crew. In 2021 several countries closed borders and crew change became increasingly difficult. However, until now we have not seen any material impact from the pandemic. The Company has had some increased cost due to compensation to crew not being replaced in due time, some challenges with service engineers and spares connections, increased travel costs in connection with crew change and from outbreak of covid-19 but until today no days of off-hire have been registered. These additional costs are not significant to the financial performance of the Company and is not expected to have significance going forward either.

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 2022 is positive. 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. 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.

## Notes – continued

	2021 USD	2020 USD
<b>Note 3. Other financial income</b>		
Other financial income	<u>2,367</u>	<u>14,215</u>
	<u>2,367</u>	<u>14,215</u>
<b>Note 4. Other financial expenses</b>		
Interest expense, leasing debt	5,266,500	5,316,600
Interest expense, group enterprise	94,283	0
Amortization of borrowing costs	47,860	47,993
Other financial expenses	<u>27,208</u>	<u>91,192</u>
	<u>5,435,851</u>	<u>5,455,786</u>

### Note 5. Tax for the year

The taxable income for 2021 is calculated based on the rules under the Danish Tonnage tax regime, which is binding until 2030.

The Company is jointly taxed with Evergas 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 6. Fixed assets

	Vessel USD
<b>Cost</b>	
Balance at 1/1	128,807,821
Additions in the year	0
Disposals in the year	<u>0</u>
<b>Cost at 31/12</b>	<u><b>128,807,821</b></u>
<b>Depreciation</b>	
Balance at 1/1	8,045,448
Depreciation in the year	<u>4,576,308</u>
<b>Depreciation at 31/12</b>	<u><b>12,621,756</b></u>
<b>Carrying amount at 31/12</b>	<u><b>116,186,065</b></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 2021.

## Notes - continued

### Note 7. 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 2021</u>	<u>Falling due within 1 year</u>	<u>Total</u>
Leasing debt	66,664,422	0	66,664,422	3,822,447	70,486,869
Payables to group enterprise	<u>4,566,222</u>	<u>0</u>	<u>4,566,222</u>	<u>0</u>	<u>4,566,222</u>
	<u>71,230,644</u>	<u>0</u>	<u>71,230,644</u>	<u>3,822,447</u>	<u>75,053,091</u>

The leasing debt is guaranteed by the related parties JHW Engineering & Contracting Limited and Mortimer Pte Ltd. There are no financial covenants neither for the guarantor nor for the lender.

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\$ 3,870,000 is to be repaid in 2022 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 8. Contingent liabilities and other financial obligations

At 31 December 2021, the Company has obligations under a Technical Management agreement of USD 262,541.

### Note 9. Related parties

Related parties include the parent company Greenship Gas Trust, 60 Paya Lebar Road, #08-29 Paya Lebar Square, Singapore 409051, Mortimer Pte. Ltd., 60 Paya Lebar Road, #08-29 Paya Lebar Square, Singapore 409051 and JHW Engineering & Contracting Limited, 42/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

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