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Terra Navtica A/S

Vigerslev Alle 370, 2650 Hvidovre

Company reg. no. 29 62 21 59

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 10 June 2024.

Jean-Luc Morbelli
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instanceDKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Terra Navtica A/S for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Hvidovre, 10 June 2024

Managing Director

Jean-Luc Morbelli

Board of directors

Bente Zinck Jean-Luc Morbelli Marc Morbelli-Zinck

The independent practitioner's report

To the Shareholders of Terra Navtica A/S

Conclusion

We have performed an extended review of the financial statements of Terra Navtica A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the Financial Statements" section of our report. We are independent of the Company 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 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 Company or to cease operations, or has no realistic alternative but to do so.

Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The independent practitioner's report

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the Management's Review

Management is responsible for the Management's Review.

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

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

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

Based on the work we have performed, we conclude that the Management's Review 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 in the Management's Review.

Copenhagen, 10 June 2024

Grant Thornton
Certified Public Accountants
Company reg. no. 34 20 99 36

Peter Birk Stokholm
State Authorised Public Accountant
mne48468

Company information

The company	Terra Navtica A/S Vigerslev Alle 370 2650 Hvidovre	
	Company reg. no.	29 62 21 59
	Established:	14 June 2006
	Domicile:	Hvidovre
	Financial year:	1 January - 31 December
Board of directors	Bente Zinck Jean-Luc Morbelli Marc Morbelli-Zinck	
Managing Director	Jean-Luc Morbelli	
Auditors	Grant Thornton, Godkendt Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	
Parent company	Terra Navtica SAS	

Management´s review

Description of key activities of the company

The company's principal activity is to perform service within transportation of heavy objects and related services.

Uncertainties connected with recognition or measurement

In the financial year there has been no uncertainties about recognition or measurement.

Unusual circumstances

In the financial year there has been no unusual circumstances.

Development in activities and financial matters

Income or loss from ordinary activities after tax totals DKK 1.740.006 against DKK 1.249.039 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

No events have occured after the end of the financial year that could significantly affect the company's financial position.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2023	2022
	Gross profit	**11.616.822**	**5.730.608**
1	Staff costs	-9.352.972	-4.050.937
	Depreciation and impairment of property, land, and equipment	-211.738	-192.083
	Operating profit	**2.052.112**	**1.487.588**
	Other financial income from group enterprises	188.096	142.031
	Other financial income	184.627	57.488
	Other financial expenses	-171.137	-69.346
	Pre-tax net profit or loss	**2.253.698**	**1.617.761**
2	Tax on net profit or loss for the year	-513.692	-368.722
	Net profit or loss for the year	**1.740.006**	**1.249.039**
	Proposed distribution of net profit:		
	Transferred to retained earnings	1.740.006	1.249.039
	Total allocations and transfers	**1.740.006**	**1.249.039**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2023	2022
	Non-current assets		
3	Other fixtures, fittings, tools and equipment	637.081	539.010
	Total property, plant, and equipment	637.081	539.010
	Total non-current assets	**637.081**	**539.010**
	Current assets		
	Trade receivables	326.932	753.999
	Receivables from group enterprises	3.616.083	3.338.773
	Other receivables	54.414	49.807
	Prepayments	70.179	0
	Total receivables	4.067.608	4.142.579
	Cash and cash equivalents	8.405.200	6.006.309
	Total current assets	**12.472.808**	**10.148.888**
	Total assets	**13.109.889**	**10.687.898**

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities

Note		2023	2022
	Equity		
	Contributed capital	1.500.000	1.500.000
	Retained earnings	10.406.452	8.666.446
	Total equity	**11.906.452**	**10.166.446**
	Provisions		
	Provisions for deferred tax	1.373	1.694
	Total provisions	**1.373**	**1.694**
	Liabilities other than provisions		
	Trade payables	0	56.933
	Income tax payable to group enterprises	514.013	372.018
	Other payables	688.051	90.807
	Total short term liabilities other than provisions	1.202.064	519.758
	Total liabilities other than provisions	**1.202.064**	**519.758**
	Total equity and liabilities	**13.109.889**	**10.687.898**
4	**Contingencies**		

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	1.500.000	8.666.446	10.166.446
Profit or loss for the year brought forward	0	1.740.006	1.740.006
	1.500.000	**10.406.452**	**11.906.452**

Notes

All amounts in DKK.

		2023	2022
1.	**Staff costs**		
	Salaries and wages	9.196.764	3.856.553
	Pension costs	127.095	176.123
	Other costs for social security	29.113	18.261
		9.352.972	**4.050.937**
	Average number of employees	4	4
2.	**Tax on net profit or loss for the year**		
	Tax of the results for the year, parent company	514.013	372.018
	Adjustment for the year of deferred tax	-321	-3.296
		513.692	**368.722**

		31/12 2023	31/12 2022
3.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 January 2023	2.276.247	2.055.992
	Additions during the year	334.809	370.255
	Disposals during the year	-273.246	-150.000
	Cost 31 December 2023	**2.337.810**	**2.276.247**
	Depreciation and write-down 1 January 2023	-1.737.237	-1.675.154
	Depreciation for the year	-236.738	-62.083
	Depreciation and writedown, assets disposed of	273.246	0
	Depreciation and write-down 31 December 2023	**-1.700.729**	**-1.737.237**
	Carrying amount, 31 December 2023	**637.081**	**539.010**

Notes

All amounts in DKK.

4. Contingencies

Joint taxation

With Morbelli-Zinck Holding ApS, company reg. no 30 69 90 41 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for Terra Navtica A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

Income statement

Gross profit

Gross profit comprises the revenue, cost of sales and other external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise expenses incurred for sales, advertising, administration, vechiles and premises.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses and transactions in foreign currency.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Accounting policies

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Terra Navtica A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

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The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Jean-Luc Paul Morbelli
Bestyrelsesmedlem
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IP: 2.105.xxx.xxx
2024-06-10 16:19:34 UTC

Jean-Luc Paul Morbelli
Direktør og dirigent
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Marc Morbelli-Zinck
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Statsautoriseret revisor
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