



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	980 585 522
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	SINOCEANIC SHIPPING AS
Forretningsadresse:	Haakon VII's gate 1 0161 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Katrine Aas
Dato for fastsettelse av årsregnskapet:	08.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.06.2025



Resultatregnskap

Beløp i: USD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Intercompany revenue	2, 13		
Management fee income	2, 13	2 925 000	2 753 000
Sum inntekter		2 925 000	2 753 000
Kostnader			
Personell expenses	4	2 350 000	2 570 000
Depreciation and amortisation	7	3 000	5 000
Other expenses	5	757 000	661 000
Sum kostnader		3 110 000	3 236 000
Driftsresultat		-185 000	-483 000
Finansinntekter og finanskostnader			
Annen renteinntekt		819 000	174 000
Financial income	8	4 636 000	5 476 000
Net foreign exchange gain (loss)	3	-309 000	-74 000
Sum finansinntekter		5 146 000	5 576 000
Annen rentekostnad	3		43 000
Financial expenses	8	50 000	20 000
Sum finanskostnader		50 000	63 000
Netto finans		5 096 000	5 513 000
Ordinært resultat før skattekostnad		4 911 000	5 030 000
Income tax expense	6		
Ordinært resultat etter skattekostnad		4 911 000	5 030 000
Årsresultat		4 911 000	5 030 000
Årsresultat etter minoritetsinteresser		4 911 000	5 030 000
Totalresultat		4 911 000	5 030 000



Resultatregnskap

Beløp i: USD	Note	2023	2022
Overføringer og disponeringer			
Equity holders of the parent		4 911 000	5 030 000
Sum overføringer og disponeringer		4 911 000	5 030 000



Balanse

Beløp i: USD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Furnitures and fixtures	7	19 000	17 000
Sum varige driftsmidler		19 000	17 000
Finansielle anleggsmidler			
Investering i datterselskap	8	9 730 000	9 730 000
Long term receivables	14	1 061 000	1 061 000
Non-current restricted cash	10		
Sum finansielle anleggsmidler		10 791 000	10 791 000
Sum anleggsmidler		10 810 000	10 808 000
Omløpsmidler			
Varer			
Fordringer			
Trade receivables and other receivables	9, 13	4 939 000	5 857 000
Sum fordringer		4 939 000	5 857 000
Bankinnskudd, kontanter og lignende			
Current restricted cash	10	239 000	294 000
Cash and cash equivalents	10, 13	28 676 000	25 116 000
Sum bankinnskudd, kontanter og lignende		28 915 000	25 410 000
Sum omløpsmidler		33 854 000	31 267 000
SUM EIENDELER		44 664 000	42 074 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: USD	Note	2023	2022
Innskutt egenkapital			
Share capital	11, 12	172 000	172 000
Overkurs	12	225 000	225 000
Sum innskutt egenkapital		397 000	397 000
Opptjent egenkapital			
Other equity	12	38 301 000	33 390 000
Sum opptjent egenkapital		38 301 000	33 390 000
Sum egenkapital		38 698 000	33 787 000
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld	10, 13	5 519 000	7 765 000
Provision for tax liability	6		
Provisions for other liabilities and charges	15	447 000	522 000
Sum kortsiktig gjeld		5 966 000	8 287 000
Sum gjeld		5 966 000	8 287 000
SUM EGENKAPITAL OG GJELD		44 664 000	42 074 000



Konsernets resultatregnskap

Beløp i: USD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Charter hire revenue	3, 4	9 977 000	8 746 000
Other revenue	4, 16	2 441 000	2 298 000
Sum inntekter		12 418 000	11 045 000
Kostnader			
Vessel operating expenses	5	3 200 000	3 033 000
Depreciation and amortisation	8	314 000	237 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	8		
Administrative expenses	5, 6	2 866 000	3 019 000
Sum kostnader		6 380 000	6 289 000
Driftsresultat		6 038 000	4 756 000
Finansinntekter og finanskostnader			
Annen renteinntekt	16	1 164 000	259 000
Net foreign exchange gain (loss)	3	-45 000	-47 000
Sum finansinntekter		1 119 000	212 000
Annen rentekostnad	3, 12	20 000	65 000
Financial expenses	16	40 000	20 000
Sum finanskostnader		60 000	85 000
Netto finans		1 059 000	126 000
Ordinært resultat før skattekostnad		7 097 000	4 882 000
Income tax expense	7		
Ordinært resultat etter skattekostnad		7 097 000	4 882 000
Årsresultat		7 097 000	4 882 000
Årsresultat etter minoritetsinteresser		7 097 000	4 882 000
Totalresultat		7 097 000	4 882 000



Konsernets balanse

Beløp i: USD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessel	8	11 183 000	8 912 000
Furniture and fixtures	8	431 000	517 000
Sum varige driftsmidler		11 614 000	9 429 000
Finansielle anleggsmidler			
Available-for-sale financial assets	14		
Long term receivables	16	1 061 000	1 061 000
Non-current restricted cash	10		
Sum finansielle anleggsmidler		1 061 000	1 061 000
Sum anleggsmidler		12 674 000	10 490 000
Omløpsmidler			
Varer			
Sum varer		200 000	224 000
Fordringer			
Trade receivables and other receivables	9, 16	1 079 000	548 000
Sum fordringer		1 079 000	548 000
Bankinnskudd, kontanter og lignende			
Current restricted cash	10	239 000	294 000
Cash and cash equivalents	10	28 676 000	25 116 000
Sum bankinnskudd, kontanter og lignende		28 915 000	25 410 000
Sum omløpsmidler		30 194 000	26 182 000
SUM EIENDELER		42 869 000	36 672 000

BALANSE - EGENKAPITAL OG GJELD



Konsernets balanse

Beløp i: USD	Note	2023	2022
Egenkapital			
Innskutt egenkapital			
Issued capital	11	172 000	172 000
Sum innskutt egenkapital		172 000	172 000
Opptjent egenkapital			
Other equity		41 190 000	34 080 000
Sum opptjent egenkapital		41 190 000	34 080 000
Sum egenkapital		41 362 000	34 252 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	12, 14	110 000	138 000
Sum annen langsiktig gjeld		110 000	138 000
Sum langsiktig gjeld		110 000	138 000
Kortsiktig gjeld			
Current lease liabilities	12, 14	259 000	310 000
Provision for tax liability	7		
Leverandørgjeld	16	479 000	389 000
Provisions for other liabilities and charges	13, 16	658 000	1 583 000
Sum kortsiktig gjeld		1 396 000	2 282 000
Sum gjeld		1 506 000	2 420 000
SUM EGENKAPITAL OG GJELD		42 869 000	36 672 000



Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	14.11.2011	22.11.2011
Telefon	Deres referanse	Vår referanse
22078139	Kristin Hagland	2010/974473

ERNST & YOUNG AS
Postboks 20 Oslo Atrium
0051 OSLO

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk

Det vises til deres brev av 22. november 2011 der det søkes om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk språk på vegne av;

SinOceanic I AS, org. nr. 996 345 157
SinOceanic II AS, org. nr. 996 345 181
SinOceanic III AS, org. nr. 991 686 169
Oceanus Shipping AS, org. nr. 995 682 362

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Bakgrunn

GTB Invest ASA, nå SinOceanic Shipping ASA, fikk i vedtak (2010/974473) av 5. oktober 2010 dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk. Selskapene det søkes dispensasjon for er heleide datterselskaper. Selskapene er shippingselskaper med hovedkontor i Oslo. Selskapene eier containerskip med fraktvirksomhet internasjonalt. Shippingbransjen er en global bransje hvor engelsk primært benyttes ved kommunikasjon med omverden. Selskapene benytter også engelsk som arbeidsspråk internt. SinOceanic Shipping ASA er notert på Oslo Børs, men er innvilget dispensasjon etter vphl § 5-13 til å benytte engelsk språk for børsrapportering og -informasjon. Selskapets aksjonærer tilbys alt i dag kun informasjon på engelsk, og en betydelig andel av aksjene kontrolleres av utenlandske interessenter. De norske versjonene av årsregnskapet utarbeides kun for å tilfredsstille regnskapsloven.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

Postadresse	Besøksadresse	Sentralbord
Postboks 9200 Grønland 0134 Oslo	Se www.skatteetaten.no Org. nr: 996250318	800 80 000 Telefaks
For elektronisk henvendelse se www.skatteetaten.no		22 17 08 60



I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *”informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er heleide datterselskap til et morselskap som er innvilget dispensasjon. Selskapene opererer i en global bransje hvor engelsk primært benyttes. Arbeidsspråk er også engelsk. Videre er det vektlagt at en betydelig andel av aksjene i morselskapet kontrolleres av utenlandske interesser.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland



SinOceanic Shipping AS
Consolidated Financial Statements 2023



Directors Report 2023

Our business

SinOceanic Shipping AS ("SinOceanic" or the "Company") is a private limited liability company domiciled in Norway within the business of international shipping. The Company has an organization with extensive shipping and commercial experience. The consolidated financial statements of the Company as at the year ended 31 December 2023 comprise the Company and its subsidiaries.

SinOceanic is a management service provider and owns a vessel through a wholly owned subsidiary. The vessel is chartered out on a short term charter party.

Financing activities

SinOceanic and its subsidiaries (the "Group") are funded through customary sources of financing, equity and operating cash flow.

Financial Review

Profit and loss

The operating revenues of the Group amounted to USD 12.4 million in 2023 compared to USD 11.0 million in 2022. Net profit after tax amounted to USD 7.1 million in 2023, compared to a net profit of USD 4.9 million last year.

Cash flow

Cash flow from operating activities amounted to USD 6.1 million in 2023, compared to USD 6.2 million in 2022. The variance between EBITDA in the income statement and cash flow from operations is explained by movements in the working capital.

Cash flow from investing activities amounted to USD 2.3 million in 2023 compared to USD 0.4 million in 2022.

Cash flow from financing activities amounted to minus USD 0.3 million in 2023 compared to minus USD 0.3 million in 2022.

Cash and cash equivalents increased from USD 25.1 million as per 31 December 2022 to USD 28.7 million as per 31 December 2023.

Balance Sheet

As of 31 December 2023, total assets amounted to USD 43.0 million, compared to USD 36.7 million at year end 2022.

Shareholders equity amounted to USD 41.3 million as of 31 December 2023, compared to USD 34.3 million last year. The equity ratio increased to 96% at year-end 2023 compared to 93 % to year end 2022.

Risks

General

SinOceanic's activities expose the Group to a variety of market, operational and financial risks which may have material adverse effect on the Group's business, financial condition, results of operation and liquidity. SinOceanic manages these risks by monitoring external risk factors itself, in consultation with external advisors and through internal reporting and control procedures.

SinOceanic Shipping AS has a Director and Officers insurance covering the company and its subsidiaries

The major risk factors are discussed below and in more detail in note 3 to the consolidated financial statements.

Capital resources and capitalisation

The Group has a solid balance sheet. The Group owns one vessel in addition to delivering management services to related parties.



Counterparty risk

The Group has a limited number of counterparties.

Liquidity and currency risk

The Group prepares cash flow forecasts and closely monitors the cash flows to ensure always having sufficient funds to cover its financial obligations.

The Group is exposed to currency risk for expenses incurred in other currencies than USD, which is the functional currency of the Group. The income and most of the vessel operating expenses are USD denominated. The management company is domiciled in Norway and has a large part of its operating expenses in NOK. The Group is continuously assessing need to limit the currency exposure.

Parent company accounts - Allocation of profit

The Company ended the financial year with a net profit after tax of USD 4.9 million in 2023 compared to a net profit after tax of USD 5.0 million in 2022. The board's proposal is that the net profit for the year is transferred to retained earnings, and that no dividend is to be paid for the financial year 2023.

Going concern assumption

The financial statements for 2023 have been prepared on the basis of the going concern assumption and the Board hereby confirms that this assumption is valid and is of the opinion that these financial statements represent a true and fair view of the Group's position as per 31 December 2023.

Safety, Quality and Environment

SinOceanic aims to carry out safe and secure operations. During 2023, the technical management of "MV Marianetta" has been outsourced to Peter Döhle Schiffahrts-KG (Hamburg), a leading German shipping company. The operational performance of the vessel was good in 2023 without any environmental incidents or accidents.

Organization

SinOceanic employs nine employees. The working environment is considered to be good. Seven of the nine employees of the Company are male. Two of two board directors are male. The Management is focusing on preventing any form of discrimination due to gender or race in relation to matters such as pay, promotion and recruitment. The Company complies with legislation on equal employment. No serious injuries or accidents were reported in 2023.

The Norwegian Transparency Act

The reporting in accordance with the Norwegian Transparency Act will be available at latest on the 30 June 2024 on LinkedIn.

Subsequent events

There have been no subsequent events which are considered to be material for the 2023 financial statements.

Outlook

The charter hire revenues in 2024 is expected to be at a lower level than in 2023. The vessel's charter contract expires in Q4 2025.

Oslo, 30 April 2024

The board of Sinoceanic Shipping AS

Jan Håkon Pettersen
Chairman of the Board and CEO

Liu Liang
Board member



Consolidated Income Statement

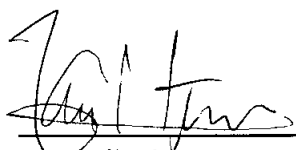
(amounts in USD 000)	Note	2023	2022
Operating income and operating expenses			
Charter hire revenue	3, 4	9 977	8 746
Other revenue	4, 16	<u>2 441</u>	<u>2 298</u>
Total income		12 418	11 045
Vessel operating expenses	5	(3 200)	(3 033)
Administrative expenses	5, 6	<u>(2 866)</u>	<u>(3 019)</u>
Total operating expenses		(6 065)	(6 052)
EBITDA		6 352	4 992
Depreciation and amortisation	8	<u>(314)</u>	<u>(237)</u>
Operating profit (EBIT)		6 038	4 756
Financial income and expenses			
Interest income	16	1 164	259
Net foreign exchange gain (loss)	3	(45)	(47)
Interest expenses	3, 12	(20)	(65)
Financial expenses	16	<u>(40)</u>	<u>(20)</u>
Net financial items		1 059	126
Income tax expense	7	0	0
Net profit for the year		7 097	4 882
Total Comprehensive Income		7 097	4 882
Attributable to:			
Equity holders of the parent		7 097	4 882



Consolidated Statement of Financial Position

As at 31 December

(amounts in USD 000)	Note	2023	2022
Assets			
Non-current assets			
Vessel	8	11 183	8 912
Furniture and fixtures	8	431	517
Long term receivables	16	1 061	1 061
Total non-current assets		12 674	10 490
Current assets			
Inventories		200	224
Trade receivables and other receivables	9, 16	1 079	548
Current restricted cash	10	239	294
Cash and cash equivalents	10	28 676	25 116
Total current assets		30 194	26 182
Total assets		42 869	36 672
Equity and liabilities			
Equity			
Issued capital	11	172	172
Other equity		41 190	34 080
Total equity		41 362	34 252
Non-current liabilities			
Lease liabilities	12, 14	110	138
Total non-current liabilities		110	138
Current liabilities			
Trade and other payables	16	479	389
Current lease liabilities	12, 14	259	310
Provisions for other liabilities and charges	13, 16	658	1 583
Total current liabilities		1 396	2 282
Total liabilities		1 506	2 420
Total equity and liabilities		42 869	36 672


Jan Håkon Pettersen
Chairman of the Board and CEO

Oslo, 30 April 2024
The board of Sinoceanic Shipping AS


Liu Liang
Board member



Consolidated Statement of Changes in Equity

As at 31 December

2023

(USD 000)	Issued capital	Other paid in capital	Retained earnings	Currency differences	Total equity
Equity at 1 January 2023	172	74 365	(21 203)	(19 082)	34 252
Profit for the period	-	-	7 097	-	7 097
Other equity transactions	-	-	13	-	13
Equity at 31 December 2023	172	74 365	(14 093)	(19 082)	41 362

2022

(USD 000)	Issued capital	Other paid in capital	Retained earnings	Currency differences	Total equity
Equity at 1 January 2022	172	74 365	(26 110)	(19 082)	29 346
Profit for the period	-	-	4 882	-	4 882
Other equity transactions	-	-	25	-	25
Equity at 31 December 2022	172	74 365	(21 203)	(19 082)	34 252



Consolidated Statement of Cash Flows

(amounts in USD 000)	Note	2023	2022
Operating activities			
Profit / (loss) before tax		7 097	4 882
Taxes paid	7	-	-
Depreciation and amortisation	8	356	237
Finance income and expense	16	1 061	126
Working capital changes		(2 421)	935
Net cash flows from operating activities		6 093	6 180
Investing activities			
Investments vessel/drydocking	8	(2 326)	(406)
Furniture and equipment	8	(5)	-
Net cash flows from investing activities		(2 331)	(406)
Financing activities			
Repayment lease debt	12	(257)	(279)
Dividend paid	11	-	-
Net cash flows from financing activities		(257)	(279)
Net change in cash and cash equivalents		3 505	5 495
Restricted cash at January 1	10	294	260
Restricted cash at end period	10	239	294
Cash and cash equivalents at January 1	10	25 116	19 656
Cash and cash equivalents at end of period	10	28 676	25 116



Notes to the Consolidated Financial Statements

1. Corporate information

SinOceanic Shipping AS (here after the "Company" or "SinOceanic") is a private limited liability company incorporated and domiciled in Norway. The company's registered office is located at Haakon VII's gate 1, 0161 Oslo, Norway.

The consolidated financial statements for the year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the "Group"). The consolidated financial statements were authorised for issue by the Board of Directors on 30 April 2024. Reference is made to note 8 accompanying the company accounts of SinOceanic for information about the subsidiaries. The subsidiaries have the same registered office as the Company. SinOceanic Shipping AS is 100% owned by SinOceanic Group Limited, incorporated in Cyprus.

2. Material accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and interpretations (IFRICs) as adopted by the EU, and the additional applicable disclosure requirements of the Norwegian accounting act per 31 December 2023.

The consolidated financial statements have been prepared on the historical cost basis, except for derivative financial instruments that have been measured at fair value.

The Group's functional currency is US Dollar (USD), and the consolidated financial statements are presented in USD. All financial information presented in USD has been rounded to the nearest thousand.

Basis of consolidation

The consolidated financial statements include SinOceanic Shipping AS and its subsidiaries. The companies are all Norwegian registered companies and the financial statements of the subsidiaries are prepared for the same reporting period as the parent company.

Significant estimates

Estimation risks in determining the amounts to recognise or disclose are associated with sources of uncertainty. We have identified changing business environment, including changes driven by the environmental improving initiatives and transitional climate changes already present or expected in the near future as sources of estimation risks. This impact estimates such as remaining useful life for the vessel and whether the vessel is impaired due to shorter useful life, higher cost, regulatory constraints of operations or reduced residual value.

Impairment of the vessel also involve a significant degree of estimation uncertainty and complexity and may result in significant variation in amounts. Assumption of residual value is estimated based upon the current steel prices.

Foreign currency

The consolidated financial statements are presented in USD, which is also the functional currency of all entities in the Group.

Property, plant and equipment

Measurement

Property, plant and equipment are recognised at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price and any costs directly attributable to the acquisition.

Depreciation

Depreciation is calculated using a straight-line method to allocate the depreciable amounts of property, plant and equipment, after taking into account the residual values over their estimated useful lives. The residual values, estimated useful lives and depreciation method are reviewed, and adjusted as appropriate, on an annual basis. The effects of any revision in estimate are accounted for on a prospective basis.



Subsequent expenditures

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Capitalised dry-docking costs is depreciated over the period until the next expected scheduled dry-docking date.

Impairment

The vessel and other fixed assets are assessed for impairment indicators each reporting period. If impairment indicators are identified the recoverable amount is estimated, and if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount an impairment loss is recognised. The vessel is assessed as a separate cash generating unit (CGU)

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Inventories

The Group values its inventories, which comprise mainly of lube oils and stores on board the vessels, at the lower of cost and net realisable value. They are accounted for on a first-in/first-out basis.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received.

Revenue is measured at the fair value of the consideration received or receivable. Revenues earned by the Group are recognised on the following bases:

Rendering of services

Sales of services are recognised in the period in which the services are rendered by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Time charter hire revenue

Revenue from time charters represents charter hire earned under time charter agreement and is recorded over the term of the charter as service is provided.

Operating expenses

Operating expenses are recognised when incurred. Vessel operating expenses represent expenses incurred under time charter agreement and are recorded over the term of the charter as service is received.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The charter party contract constitutes an operational lease. Lease payments received under operating leases (Group as lessor) are recognised in profit or loss on a straight-line basis over the term of the lease.



Employee benefits

SinOceanic has a defined contribution plan for the employees.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Income tax

The company and its subsidiaries are subject to ordinary Norwegian taxation of 22%.

Cash Flow Statement

The cash flow statement is prepared using the indirect method.

New standards and interpretations

The new or amended standards and interpretations, that became effective in 2023, has been implemented without significantly affecting the financial statements of the Company. The group has applied the following amendments for the first time for their annual reporting period commencing January 1, 2023:

- Material accounting principles – amendments to IAS 1.

3. Financial risk management

General

The Group owns a container vessel and delivers management services. The Group is exposed to a variety of financial risks, including market risk, credit risk, currency risk, liquidity risk and others. The risks are described in more detail below.

Market risks

Over time, vessel values and hire rates may fluctuate substantially. Change in vessel values may result in an impairment of the book value of the Group's vessel or a loss upon a sale of the vessel. The vessel has been written down its residual value. Change in hire rates may heavily impact the profitability of the Group as the vessel is trading on short-term charters. There is also risk related to potential new regulations to reduce emissions and introduction of new technologies that can make the vessel less competitive in the market.

Credit risk

The credit risk is the risk that SinOceanic's customers or counterparties will cause SinOceanic financial loss by failing to honour their obligations. Reference is made to note 9 for more information on loss on receivables.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its liabilities as they fall due and as a result, cease trading. The capital structure of the Group is considered good and a strong balance sheet generally improves the access to credit.

Risk related to tax regulation

As of 31 December 2023, the Group had a combined tax loss carried forward of NOK 306.1 million which can be used to offset taxable income in future years. There is currently no time limitation on losses carried forward. Valuation of such loss carry forward is dependent on the tax regulation applicable to the Group in future periods and its ability to generate sufficient taxable income to utilize the loss carry forward.

Changes in taxation law or the interpretation of taxation law may impact the business, results of operations and financial condition of the Group.

Currency risk

The Group's business activities are mainly carried out in USD. The revenues are USD denominated. Vessel operating expenses are mainly in USD or EUR. As the Group is headquartered in Norway, most of the administrative expenses are NOK denominated. The Group is thus mainly exposed to the currency fluctuations between USD and EUR and USD and NOK. Fluctuations in USD/NOK exchange rate may materially adversely affect the Group's dividends which are payable in NOK. Similarly, the Group's tax payable will be calculated and paid in NOK.



With all other variables held constant, the Group's profit before tax is affected by an increase/decrease in USD / NOK as follows:

2023

(USD 000)	Amount per 31.12.2023	Change in USD / NOK	Effect on profit before tax
Foreign currency denominated cash and receivables	1 270	10 % (10%)	141 (115)
Foreign currency denominated liabilities	447	10 % (10%)	50 (41)

2022

(USD 000)	Amount per 31.12.2022	Change in USD / NOK	Effect on profit before tax
Foreign currency denominated cash and receivables	491	10 % (10%)	55 (45)
Foreign currency denominated liabilities	470	10 % (10%)	52 (43)

Capital Management

The primary objective of the Group's capital management is to maintain an optimal capital structure so as to maximise shareholder value.

(USD 000)	As per 31 December	
	2023	2022
Total equity	41 362	34 252
Total assets	42 869	36 672
Ratio	96 %	93 %

4. Operating revenue

(USD 000)	2023	2022
Charter hire and other vessel related revenues	9 977	8 746
Management services income	2 441	2 298
Total operating revenue	12 418	11 045

The Group's operating net lease revenue from the time charter contracts is shown in the table below:

2023

(USD 000)	Less than 1 year	1-5 years	More than 5 years
	2024	2025-2028	2029 ->
MV Marianetta	7 473	5 938	-
Total net revenue	7 473	5 938	-

2022

(USD 000)	Less than 1 year	1-5 years	More than 5 years
	2023	2024-2027	2028 ->
MV Marianetta	5 934	-	-
Total net revenue	5 934	-	-



5. Vessel and other operating expenses

The vessel's running costs, including crew expenses, were managed by the outsourcing partners of technical management Peter Döhle Schifffahrts-KG, located in Hamburg, Germany. The vessel's managers received an annual remuneration which is included in the vessel's running costs.

Vessel operating expenses

(USD 000)	2023	2022
Crew expenses	1 195	1 154
Technical operating expenses	1 204	1 009
Lub oil	271	365
Insurance	330	306
Ship management fee and expenses	200	200
Total	3 200	3 033

Administrative expenses

(USD 000)	2023	2022
Salaries and personell expenses	2 350	2 570
Remuneration to Board of Directors	19	23
External consultancy services	179	164
Office expenses	211	198
Travel expenses	109	65
Total	2 866	3 019

Remuneration to auditors

(USD 000)	2023	2022
Statutory audit	36	38
Total	36	38

6. Employee benefit expenses

(USD 000)	2023	2022
Salaries	1 819	2 061
Social security contribution	346	318
Pension costs	138	144
Other remuneration and benefits	46	47
Total	2 350	2 570

Average number of full time employees 8,5 8,5

Bonus scheme

The employees were granted a bonus of in total USD 0 thousand in 2023 (USD 119 thousand in 2022). Bonus, if any, is included in salaries.

Pensions

The company has a defined contribution plan.

Remuneration for the company's management

(USD 000)	2023	2022
Salaries and remuneration	1 052	1 169
Pension costs	59	62
Total	1 111	1 231

Key management includes CEO, CFO (deputy CEO), and technical director.



7. Income tax expense

The major component for income tax expense for the years ended 31 December are:

(USD 000)	2023	2022
Current income tax charge	-	-
Change in deferred tax	-	-
Income tax expense reported in the income statement	-	-

A reconciliation of current income tax charge for the years ended 31 December:

(USD 000)	2023	2022
Profit before tax	7 097	4 882
Permanent differences	4	1
Currency differences	2 340	8 819
Change in temporary differences	(2 712)	(1 234)
Change in taxable loss brought forward	(6 729)	(12 468)
Basis current income tax charge:	-	-
Current income tax charge:	-	-

Tax expenses are calculated as if all transactions were booked in NOK.

Tax payable in the balance sheet is as follows:

(USD 000)	2023	2022
Current income tax charge	-	-
Tax payable in the balance sheet	-	-

Deferred tax assets relate to the following:

(USD 000)	2023	2022
Temporary differences		
Fixed assets	(7 540)	(10 292)
Other temporary differences	(589)	(549)
Net temporary differences	(8 129)	(10 841)
Tax losses carried forward	(30 004)	(36 733)
Basis for deferred tax	(38 133)	(47 574)
22 % deferred tax (tax assets)	(8 389)	(10 466)
Deferred tax assets not recognised	8 389	10 466
Deferred tax (tax assets) in the balance sheet	-	-

Deferred tax assets are recognised only to the extent that the realisation of the related tax asset through future taxable profits is probable. There is no time limitation on tax losses carried forward.



8. Property, plant and equipment

2023

(USD 000)	Vessel	Docking	Total vessel	Other fixed assets	Artwork	Right-of-use assets	Total assets
Acquisition cost as of 01.01	50 501	1 166	51 667	153	15	1 284	52 446
Additions	164	2 162	2 326	5	-	229	2 561
Disposals	-	(1 166)	(1 166)	-	-	(62)	(1 228)
Acquisition cost as of 31.12	50 665	2 162	52 827	158	15	1 450	54 450
Accumulated depreciations and impairments as of 01.01	(41 589)	(1 166)	(42 754)	(151)	-	(781)	(43 687)
Depreciation charge for the year	-	(56)	(56)	(3)	-	(255)	(314)
Impairment charge for the year	-	-	-	-	-	-	-
Disposals	-	1 166	1 166	-	-	-	1 166
Accumulated depreciation and impairment as of 31.12	(41 589)	(56)	(41 644)	(153)	-	(1 036)	(42 835)
Net book value as of 31.12	9 076	2 106	11 183	4	15	412	11 613
Depreciation plan	Linear 25 years	Linear 5 years		Linear 5 years	Indefinite		

2022

(USD 000)	Vessel	Docking	Total vessel	Other fixed assets	Artwork	Right-of-use assets	Total assets
Acquisition cost as of 01.01	50 095	1 166	51 261	153	15	1 017	52 446
Additions	406	-	406	-	-	267	673
Disposals	-	-	-	-	-	-	-
Acquisition cost as of 31.12	50 501	1 166	51 667	153	15	1 284	53 119
Accumulated depreciations and impairments as of 01.01	(41 589)	(1 166)	(42 754)	(146)	-	(549)	(43 450)
Depreciation charge for the year	-	-	-	(5)	-	(232)	(237)
Impairment charge for the year	-	-	-	-	-	-	-
Accumulated depreciation and impairment as of 31.12	(41 589)	(1 166)	(42 754)	(151)	-	(781)	(43 687)
Net book value as of 31.12	8 912	-	8 912	2	15	500	9 429
Depreciation plan	Linear 25 years	Linear 5 years		Linear 5 years	Indefinite		

Depreciation

A straight-line method of depreciation has been used for the vessel, based on expected useful life from the date of delivery from yard. The capitalised dry-docking costs is depreciated over the period until the next expected scheduled dry-docking date. The vessel MV Marianetta performed its statutory drydocking in November 2023.

Right-of-use assets are leased office premises which are treated for accounting purposes as right of use assets, see note 12 for more information about the leases.

Impairment charge on vessel

The vessel has been written down to its residual value. In the current market, the vessel value is higher than its book value but as the difference primarily relates to unwinding of discounting, no impairment reversal triggers has been identified, and as such impairment made is not reversed.

9. Trade and other receivables

(USD 000)	As per 31 December	
	2023	2022
Trade receivables	41	-
Prepaid expenses	185	214
Short term receivables, related parties	215	322
Other receivables	639	12
Total	1 079	548

Reference is made to note 16 for more information about receivables towards related parties.



10. Unrestricted and restricted cash

(USD 000)	As per 31 December	
	2023	2022
<i>Current restricted cash:</i>		
Employee tax deductions	119	170
Deposit office premises	121	124
Total current restricted cash	239	294
Cash at banks - unrestricted	28 676	25 116
Total unrestricted and restricted cash	28 915	25 410

Cash and cash equivalents are predominately denominated in USD.

11. Share capital and shareholder information

	2023	2022
Number of ordinary shares	1	1
Par value in NOK	1 000 000	1 000 000
Par value in NOK (000)	1 000	1 000
Par value in USD (000)	172	172

The company's registered share capital is NOK 1,000,000 divided into 1 share. The share capital is fully paid.

No dividend has been declared or paid in 2023.

12. Interest-bearing loans and borrowings

Leases

The Group has lease contracts for office premises at two locations where business is operated. One of the lease contracts has been considered to be a short-term lease as there is an optionality to terminate the contract with six months' notice.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Amount paid relating to short-term leases in 2023 was USD 47 thousand.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period.

	As per 31 December	
	2023	2022
As at 1 January	500	466
Additions	229	267
Disposals	(62)	-
Depreciation expense	(255)	(232)
As at 31 December	412	500



Set out below are the carrying amounts of lease liabilities recognised and the movements during the period:

	As per 31 December	
	2023	2022
As at 1 January	447	465
Additions	251	267
Disposals	(68)	-
Accretion of interest	19	21
Exchange rate adjustments	(23)	(28)
Payments	(257)	(279)
As at 31 December	369	447
Current	259	310
Non-current	110	138

The following are the amounts recognised in profit or loss:

	2023	2022
Depreciation expense of right-of-use-assets	255	232
Interest expenses	19	21
Exchange rate adjustments	(23)	(28)
Income tax expense	-	-
Total amount recognised in profit or loss	251	225

13. Provision for other liabilities and charges

(USD 000)	As per 31 December	
	2023	2022
Accrued payroll tax	208	168
Prepaid Charter hire	189	855
Other accrued costs	261	560
Total	658	1 583

Prepaid charter hire is hire received under the vessel's charter party.

14. Financial instruments

There are no material differences between fair value and carrying value.

15. Guarantees, commitments and contingencies

Commitments

SinOceanic has an office premises lease contract with Haakon VII's gate nr. 1 ANS concerning the rental of premises at Haakon VII's gate nr. 1, Oslo. The lease period expires on 31 May 2025.

SinOceanic has an office premises lease contract with Ytrebygdsvegen 215 AS concerning the rental of premises at Ytrebygdsvegen 215, Bergen. The lease period expires on 30 June 2027. The contract can be terminated on 6 months' notice during the lease period.

16. Related parties

A party is related to an entity if the party directly or indirectly through one or more intermediaries' control, is controlled or is under common control with the entity (this includes parents and subsidiaries), has an interest in the entity that gives it significant influence over the entity or has joint control over the entity. Furthermore, a related party is an



associate, a joint venture partner or a close family member. A related party transaction is a transfer of resources, services or obligations between related parties regardless of whether a price is charged.

2023

(USD 000)	Management services income	Financial expenses	Long term receivables	Short term receivables
Sinoceanic Shipping Holdings Ltd (group)	446	-	-	-
Neptune Shipping Investment Limited (group)	1 956	40	1 061	100
Total	2 402	40	1 061	100

2022

(USD 000)	Management services income	Financial expenses	Long term receivables	Short term receivables	Short term liabilities
Sinoceanic Shipping Holdings Ltd (group)	448	-	-	109	3
Neptune Shipping Investment Limited (group)	1 850	20	1 061	100	-
Total	2 298	20	1 061	209	3

Sinoceanic Shipping AS delivers management services to Sinoceanic Shipping Holdings Limited, Bermuda, and its subsidiaries. Sinoceanic Shipping Holdings Limited is a wholly owned subsidiary of the sole shareholder of Sinoceanic Shipping AS, Sinoceanic Group Limited.

Sinoceanic Shipping AS delivers management services to Neptune Shipping Investment Limited, British Virgin Islands, and its subsidiaries. An impairment of USD 40 thousand was recognised in 2023 (USD 20 thousand was recognised in 2022).

17. Subsequent events

There have been no subsequent events which are considered to be material for the 2023 financial statements.



SinOceanic Shipping AS
Parent company Financial Statements 2023



Parent company Income Statement - SinOceanic Shipping AS

(amounts in USD 000)	Note	2023	2022
Operating income and operating expenses			
Management fee income	2, 13	2 925	2 753
Total income		<u>2 925</u>	<u>2 753</u>
Personell expenses	4	(2 350)	(2 570)
Other expenses	5	(757)	(661)
Total expenses		<u>3 107</u>	<u>3 231</u>
EBITDA		(182)	(478)
Depreciation and amortisation	7	(3)	(5)
Operating profit		<u>(185)</u>	<u>(483)</u>
Financial income and expenses			
Interest income		819	174
Financial income	8	4 636	5 476
Net foreign exchange gain (loss)	3	(309)	(74)
Interest expenses	3	0	(43)
Financial expenses	8	(50)	(20)
Net financial items		<u>5 096</u>	<u>5 513</u>
Net profit for the year		<u>4 911</u>	<u>5 030</u>
Attributable to:			
Equity holders of the parent		4 911	5 030



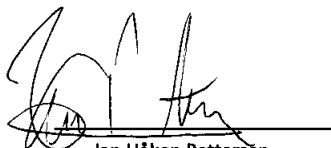
Parent company Statement of Financial Position

As at 31 December

(amounts in USD 000)	Note	2023	2022
Assets			
Non-current assets			
Furnitures and fixtures	7	19	17
Investments in subsidiaries	8	9 730	9 730
Long term receivables	14	1 061	1 061
Total non-current assets		10 810	10 808
Current assets			
Trade receivables and other receivables	9, 13	4 939	5 857
Current restricted cash	10	239	294
Cash and cash equivalents	10, 13	28 676	25 116
Total current assets		33 854	31 267
Total assets		44 664	42 074
Equity and liabilities			
Equity			
Share capital	11, 12	172	172
Share premium and other paid in capital	12	225	225
Other equity	12	38 301	33 390
Total equity		38 698	33 787
Current liabilities			
Trade creditors and other payables	10, 13	5 519	7 765
Provisions for other liabilities and charges	15	447	522
Total current liabilities		5 966	8 287
Total liabilities		5 966	8 287
Total equity and liabilities		44 664	42 074

Oslo, 30 April 2024

The board of Sinoceanic Shipping AS


Jan Håkon Pettersen
Chairman of the Board and CEO


Liu Liang
Board member



Parent company Statement of Cash Flow - SinOceanic Shipping AS

(amounts in USD 000)	Note	2023	2022
Operating activities			
Profit/loss before tax		4 911	5 030
Depreciation and amortisation	7	3	5
Financial items	8, 13	(5 096)	(5 513)
Working capital changes		442	(37)
Net cash flows from operating activities		260	(515)
Investing activities			
Furniture and fixtures	7	(5)	-
Net cash flows from investing activities		(5)	-
Financing activities			
Received group contribution		5 476	3 777
Payment of group contribution		-	(17)
Net change in cash pool arrangement		(2 226)	2 240
Net cash flows from financing activities		3 250	6 000
Net change in cash and cash equivalents		3 505	5 485
Restricted cash at January 1	10	294	260
Restricted cash at December 31	10	(239)	(294)
Cash and cash equivalents at January 1	10	25 116	19 665
Cash and cash equivalents at end of period	10	28 676	25 116



Notes to Financial Statements – SinOceanic Shipping AS

1. Accounting policies

General

The financial statements have been prepared in accordance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles in Norway (NGAAP). The accompanying notes are an integral part of the financial statements. The financial statements for the parent company is presented in USD, rounded to the nearest thousand which is the functional currency of the company.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Balance sheet classification

Current assets and current liabilities consist of receivables and payables due within one year. Other balance sheet items are classified as noncurrent assets or non-current liabilities.

Investments in subsidiaries

Investment in subsidiaries are recognized at cost. The investment is valued as cost of shares in the subsidiary, less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contribution and other distributions are recognized in the same year as they are recognized in the subsidiary's financial statement. If dividends / group contribution exceeds withheld profits after acquisition, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recognized value of the acquisition in the balance sheet for the parent company.

Foreign currency translation

Transactions in foreign currency are translated using the exchange in effect on the date of transaction. Monetary assets and liabilities in foreign currency are translated into USD using the exchange rate in effect on the balance sheet date. Non-monetary assets and liabilities measured at historical cost in foreign currency are translated using the exchange rate in effect on the date of transaction. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received.

Revenue is measured at the fair value of the consideration received or receivable. Revenues earned by the Company are recognised on the following basis:

Rendering of services

Sales of services are recognised in the accounting period in which the services are rendered by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Assets

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and any accumulated impairment losses. Depreciation is made on a straight-line basis over the useful lives of the asset and recognized in the income statement. Calculated depreciations take into account the expected remaining value if not insignificant. Expenses regarding major replacements and renewals are capitalized, while all other replacements, renewals, maintenance and repairs are recognized in the income statement.

Impairment of tangible non-current assets

Tangible and intangible non-current assets are assessed for impairment at each reporting period and always when events occur or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. When impairment is considered, the assets are grouped at the lowest level for which there are separate identifiable cash generating units. Impairment is calculated as the difference between the assets carrying amount and the recoverable amount. The recoverable amount is the highest of the asset's fair value less cost to sell and the value in use for the company. 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 and the risks specific



to the asset. When it is assumed that the asset's value is lower than its carrying amount, the asset is written down to the recoverable amount. The impairment amount is recognized in the income statement in those expense categories consistent with the type of the impaired asset.

Previously recognized impairment losses are only reversed if there have been changes in the estimates used to determine the recoverable amount. The reversed amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

Trade and other receivables

Trade and other receivables are recognized initially at nominal values less provision for doubtful accounts. Provision for doubtful accounts are based on an individual assessment of the different receivables based on the maturity and information about the customer's financial position or other relevant information.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank. Sinoceanic Shipping AS is owner of a cash pool arrangement which includes the cash deposits of its subsidiaries. The subsidiaries' part of the cash pool is classified as short term liabilities towards the subsidiaries. In the financial statements for year 2022, only the company's part of the cash pool was classified as Cash and cash equivalents. Cash and cash equivalents has been amended to include all cash in the cash pool arrangement for a better reflection of the agreement in place.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the obligation has to be settled and that a reliable estimate of the obligation can be made.

Trade and other payables

Trade and other payables are recognized at cost.

Pensions

The Company has defined contribution plans as obliged by law ("Obligatorisk tjenestepensjon"). The defined contribution plan is a pension plan under which the Company pays fixed contributions to pension plans. The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Company pays contributions to publicly or privately administered pension plans. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that the cash refund or reduction in future payments is available.

Income tax

Tax expenses comprise both tax payable and changes in net deferred tax. The tax includes expected tax payable on the year's taxable income using existing tax rates on the balance sheet date and any corrections on previous tax payables. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply at the time the assets are realized or the liability is settled, on the basis of temporary differences existing between the values in the accounts and the tax-related values. The calculation also includes tax loss carry-forwards at the end of the financial year. Tax increasing and tax reducing temporary differences that reverse or can be reversed in the same period are netted in the balance sheet.

Deferred tax assets are recognized in the balance sheet when it is probable that the Company will have sufficient profit for tax purposes to utilize the tax asset.

Cash Flow Statement

The cash flow statement is prepared using the indirect method. Restricted bank deposits related to the operations are included in cash equivalents.

Subsequent events

New information regarding events existing at year end is accounted for in the estimates. Information regarding events after the end of the year is disclosed in the notes.



2. Operating revenue

The Company delivers management services to subsidiaries and related parties.

Geographical market segmenting of revenue (based on the location of the customer):

2023

(USD 000)	Norway	Bermuda	British Virgin Islands	Total
Management services	477	2 439	10	2 925

2022

(USD 000)	Norway	Bermuda	British Virgin Islands	Total
Management services	457	2 286	10	2 753

3. Financial risk management

General

The Board of Directors has the overall responsibility for the establishment and oversight of the company's risk management framework. The Board regulates its work through Board meetings and general interaction with the management.

The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their role and obligations.

Capital Management

The primary objective of the Company's capital management is to maintain an optimal capital structure so as to maximise shareholder value.

The book equity to total assets ratio as year-end is considered to be at a solid level for the Company's business activities.

(USD 000)	2023	2022
Total equity	38 698	33 787
Total assets	44 664	42 074
Ratio	87 %	80 %

Currency risk

Revenues and expenses are mainly NOK and USD denominated. The management considers the currency risk to be limited. The company's available liquid assets are held in NOK and USD.

(amounts in 000)	2023	2022	Currency
Cash and cash equivalents held in NOK	12 837	4 690	NOK
Cash and cash equivalents NOK / USD	1 258	473	USD
Trade receivables and other receivables held in NOK	101	117	NOK
Trade receivables and other receivables NOK / USD	10	12	USD
Provisions for other liabilities and charges held in NOK	4 564	5 545	NOK
Provisions for other liabilities and charges NOK / USD	447	560	USD

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its liabilities as they fall due and as a result, cease



trading. The Company's liquidity situation as of 31 December 2023 is at a satisfactory level.

Credit risk

The Company receives its revenues from a number of companies, all being subsidiaries and related parties. The risk is considered to be limited.

4. Personnel expenses

(USD 000)	2023	2022
Salaries	1 819	2 061
Social security contribution	346	318
Pension costs	138	144
Other remuneration and benefits	46	47
Total	2 350	2 570
Average number of full time employees	8,5	8,5

Bonus scheme

The employees were granted a bonus of in total USD 0 thousand in 2023 (USD 119 thousand in 2022). Bonus, if any, is included in salaries.

Pensions

The company has a defined contribution plan.

Remuneration for the company's management

(USD 000)	2023	2022
Salaries and remuneration	1 052	1 169
Pension costs	59	62
Total	1 111	1 231

Key management includes CEO, CFO (deputy CEO), and technical director.

5. Operating expenses

(USD 000)	2023	2022
Office expenses	484	449
External consultancy services	146	124
Remuneration to Board of Directors	19	23
Travel expenses	109	66
Total	757	661

External consultancy services include audit, consulting, hired personnel and legal assistance.

Remuneration to the auditor

(USD 000)	2023	2022
Statutory audit	22	24
Total	22	24



6. Income taxes

The income tax expense consists of the following components:

(USD 000)	2023	2022
Tax payable (22% of the basis of tax)	-	-
Change in deferred tax	-	-
Income tax expense reported in the income statement	-	-

A reconciliation of current income tax charge for the years ended 31 December:

(USD 000)	2023	2022
Profit / (loss) before tax	4 911	5 030
Permanent differences	(6)	1
Currency differences	1 692	7 024
Change in temporary differences	36	10
Change in taxable loss brought forward	(6 634)	(12 065)
Basis current income tax charge	-	-
Current income tax charge	-	-

Tax payable in the balance sheet are as followed:

(USD 000)	2023	2022
Tax payable (22% of the basis of tax)	-	-
Tax effect of group contribution	-	-
Tax payable in the balance sheet	-	-

Tax expenses are calculated as if all transactions were booked in NOK.

(USD 000)	2023	2022
Temporary differences		
Fixed assets	(15)	(19)
Receivables	(589)	(549)
Net temporary differences	(604)	(568)
Tax losses carried forward	(26 722)	(33 355)
Basis for deferred tax	(27 326)	(33 923)
Deferred tax assets	(6 012)	(7 463)
Deferred tax assets not recognised	6 012	7 463
Deferred tax (tax assets) in the balance sheet	-	-

Deferred tax assets are recognized only to the extent that it has become probable that the company will have sufficient future taxable profit to allow deferred tax assets to be recovered. Following no deferred tax assets have been recognized as per 31 December 2023. There is no time limitation on tax losses carried forward.



7. Property, plant and equipment

2023

(USD 000)	Artwork	Furnitures and fixtures	Total assets
Acquisition cost as per 1 January	15	153	168
Additions	-	5	5
Acquisition cost as per 31 December	15	158	173
Accumulated depreciation as per 1 January	-	(151)	(151)
Depreciation charge for the year	-	(3)	(3)
Accumulated depreciation as per 31 December	-	(153)	(153)
Net book value as per 31 December	15	4	19

2022

(USD 000)	Artwork	Furnitures and fixtures	Total assets
Acquisition cost as per 1 January	15	153	168
Additions	-	-	-
Acquisition cost as per 31 December	15	153	168
Accumulated depreciation as per 1 January	-	(145)	(145)
Depreciation charge for the year	-	(5)	(5)
Accumulated depreciation as per 31 December	-	(151)	(151)
Net book value as per 31 December	15	2	17
Useful life	Indefinite	5 years	

8. Investment in subsidiaries

2023:

(USD 000)	Registered office	Equity interest	Voting rights	Carrying amount	Net profit (loss) 2023	Equity as per 31.12.2023
Company						
North Invest Holding AS	Norway	100 %	100 %	0	(7)	9
Oceanus Shipping AS	Norway	100 %	100 %	9 730	5 822	12 342
Total				9 730	5 815	12 352

2022:

(USD 000)	Registered office	Equity interest	Voting rights	Carrying amount	Net profit (loss) 2022	Equity as per 31.12.2022
Company						
North Invest Holding AS	Norway	100 %	100 %	0	(7)	6
Oceanus Shipping AS	Norway	100 %	100 %	9 730	4 102	10 137
Total				9 730	4 095	10 144

Other transactions:

- Received a group contribution (with tax effect) of USD 4.6 million from Oceanus Shipping AS
- Paid a group contribution (without tax effect) of USD 9,802 to North Invest Holding AS



9. Trade and other receivables

(USD 000)	As per 31 December	
	2023	2022
Trade receivables	41	-
Prepaid expenses	45	45
Receivables toward subsidiaries and related parties	4 729	5 687
Other receivables	124	125
Total	4 939	5 857

Reference is made to note 13 for more information about receivables towards related parties.

10. Unrestricted and restricted cash

(USD 000)	As per 31 December	
	2023	2022
<i>Current restricted cash:</i>		
Employee tax deductions	119	170
Deposit office premises	121	124
Total current restricted cash	239	294
Cash at banks - unrestricted	28 676	25 116
Total unrestricted and restricted cash	28 915	25 410

Cash and cash equivalents are predominately denominated in USD. Sinoceanic Shipping AS is owner of a cash pool arrangement which includes the cash deposits of its subsidiaries. Cash at bank is the total amount of cash in the cash pool arrangement. The subsidiaries' cash deposits in the cash pool arrangement amount to USD 5.5 million as per 31 December 2023 and USD 7.7 million as per 31 December 2022, reference is made to note 13.

11. Share capital and shareholder information

	No of shares	Par value in NOK	Total in TNOK	Total in TUSD
Share capital at year-end	1	1 000 000	1 000	172

	No of shares	Voting rights
Sinoceanic Group Limited	1	100 %

The company's registered share capital is NOK 1,000,000 divided into 1 share. The share capital is fully paid. No dividend has been declared or paid during the year.



12. Equity

2023

(USD 000)	Share capital	Share premium	Other paid in equity	Retained earnings	Total equity
Equity at 1 January 2023	172	153	72	33 390	33 787
Profit for the year	-	-	-	4 911	4 911
Equity at 31 December 2023	172	153	72	38 301	38 698

2022

(USD 000)	Share capital	Share premium	Other paid in equity	Retained earnings	Total equity
Equity at 1 January 2022	172	153	72	28 360	28 758
Profit for the year	-	-	-	5 030	5 030
Equity at 31 December 2022	172	153	72	33 390	33 787

13. Related parties

A party is related to an entity if the party directly or indirectly through one or more intermediaries' controls, is controlled or is under common control with the entity (this includes parents and subsidiaries), has an interest in the entity that gives it significant influence over the entity or has joint control over the entity. Furthermore, a related party is an associate, a joint venture partner or a close family member.

A related party transaction is a transfer of resources, services or obligations between related parties regardless of whether a price is charged.

2023

(USD 000)	Management fee income	Financial expenses	Long term receivables	Short term receivables	Short term liabilities
Subsidiaries	481	10	-	4 629	5 499
Sinoceanic Shipping Holdings Ltd (group)	446	-	-	-	-
Neptune Shipping Investment Limited (group)	1 956	40	1 061	100	-
Total	2 883	50	1 061	4 729	5 499

2022

(USD 000)	Management fee income	Financial expenses	Long term receivables	Short term receivables	Short term liabilities
Subsidiaries	457	-	-	5 478	7 725
Sinoceanic Shipping Holdings Ltd (group)	446	-	-	109	3
Neptune Shipping Investment Limited (group)	1 850	20	1 061	100	-
Total	2 753	20	1 061	5 687	7 728

The Company delivers management services and provides intercompany loans to subsidiaries. The subsidiaries are included in the cash pool arrangement owned by the Company. The subsidiaries had cash deposits of in total USD 5.5 million as per 31 December 2023 (USD 7.7 million as per 31 December 2022) which is classified as a liability towards the subsidiaries.

The Company delivers management services to SinOceanic Shipping Holdings Limited, Bermuda, and its subsidiaries. SinOceanic Shipping Holding Ltd is indirect, wholly owned subsidiary of the sole shareholder in SinOceanic Shipping AS, SinOceanic Group Limited.

SinOceanic Shipping AS delivers management services to Neptune Shipping Investment Limited, British Virgin Islands, and its subsidiaries. An impairment of USD 40 thousand was recognised in 2023 (USD 20 thousand was recognised in 2022).



14. Guarantees, commitments and contingencies

Commitments

SinOceanic has an office premises lease contract with Haakon VII's gate nr. 1 ANS concerning the rental of premises at Haakon VII's gate nr. 1, Oslo. The lease period expires on 31 May 2025.

SinOceanic has an office premises lease contract with Ytrebygdsvegen 215 AS concerning the rental of premises at Ytrebygdsvegen 215, Bergen. The lease period expires on 30 June 2027. The contract can be terminated on 6 months' notice during the lease period.

15. Provisions for other liabilities and charges

(USD 000)	As per 31 December	
	2023	2022
Public duties	208	264
Other short term provisions	238	258
Total provisions for other liabilities and charges	447	522



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Sinoceanic Shipping AS

Opinion

We have audited the financial statements of Sinoceanic Shipping AS (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the statement of financial position as at 31 December 2023, the income statement, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information. The financial statements of the Group also comprise the statement of changes in equity for the year then ended.

In our opinion

- The financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2023 and their financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Group as at 31 December 2023 and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, 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 other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.



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Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, 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 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 in accordance with ISAs, 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 Company's and the Group'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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group'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 Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

Independent auditor's report - Sinoceanic Shipping AS 2023

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We communicate with the board of directors 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.

Oslo, April 30th 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Johan Lid Nordby
State Authorised Public Accountant (Norway)

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