



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 959 652 511  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: STEEM1960 SHIPBROKERS AS  
Forretningsadresse: c/o Vika Atrium  
Munkedamsveien 45  
0250 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

### Konsern

Morselskap 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: Regnskapslovens alminnelige regler

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: S Botolf Sundby  
Dato for fastsettelse av årsregnskapet: 20.03.2024

### 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, 13.08.2025



### Resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Commission		236 488 689	203 488 365
Other revenue		3 998 415	3 755 955
<b>Sum inntekter</b>	1,2	<b>240 487 104</b>	<b>207 244 320</b>
<b>Kostnader</b>			
Personnel expenses	3	201 586 491	172 516 696
Depreciation	4	499 288	404 374
Other operating expenses	3	20 134 806	15 978 758
<b>Sum kostnader</b>		<b>222 220 585</b>	<b>188 899 828</b>
<b>Driftsresultat</b>		<b>18 266 519</b>	<b>18 344 492</b>
<b>Finansinntekter og finanskostnader</b>			
Income from subsidiaries, equity method	5	45 510 912	38 215 681
Income from associated companies	5	1 370 637	1 428 196
Other financial income		12 705 036	6 668 243
<b>Sum finansinntekter</b>		<b>59 586 585</b>	<b>46 312 120</b>
Other financial expenses		1 548 904	18 381
<b>Sum finanskostnader</b>		<b>1 548 904</b>	<b>18 381</b>
<b>Netto finans</b>		<b>58 037 681</b>	<b>46 293 739</b>
<b>Ordinært resultat før skattekostnad</b>		<b>76 304 200</b>	<b>64 638 231</b>
Tax	6	6 083 939	5 998 252
<b>Ordinært resultat etter skattekostnad</b>		<b>70 220 261</b>	<b>58 639 979</b>
<b>Årsresultat</b>		<b>70 220 261</b>	<b>58 639 979</b>
<b>Overføringer og disponeringer</b>			
Ordinært utbytte	8	29 658 659	60 000 000
Overføringer til/fra annen egenkapital	8	40 561 603	-1 360 020
<b>Sum overføringer og disponeringer</b>		<b>70 220 262</b>	<b>58 639 980</b>



## Balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	6	0	725 629
<b>Sum immaterielle eiendeler</b>		<b>0</b>	<b>725 629</b>
<b>Varige driftsmidler</b>			
Equipment and other movables	4	966 641	881 342
<b>Sum varige driftsmidler</b>		<b>966 641</b>	<b>881 342</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	5	74 170 703	63 910 189
Lån til foretak i samme konsern	8	10 894 085	8 239 984
Investeringer i tilknyttet selskap	5	644 724	649 087
Investments in shares	7	6 844 560	6 844 560
<b>Sum finansielle anleggsmidler</b>		<b>92 554 072</b>	<b>79 643 820</b>
<b>Sum anleggsmidler</b>		<b>93 520 713</b>	<b>81 250 791</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivables	8,9	37 302 063	41 248 126
Other receivables		4 581 853	4 443 730
Receivables associated companies	5	1 375 000	1 250 000
<b>Sum fordringer</b>		<b>43 258 916</b>	<b>46 941 856</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankdeposit NOK		138 276 485	92 052 928
Bankdeposit other currencies	10	52 813 945	44 905 923
<b>Sum bankinnskudd, kontanter og lignende</b>	11	<b>191 090 430</b>	<b>136 958 851</b>
<b>Sum omløpsmidler</b>		<b>234 349 346</b>	<b>183 900 707</b>
<b>SUM EIENDELER</b>		<b>327 870 059</b>	<b>265 151 498</b>



## Balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	12,13	1 400 000	1 200 000
Overkurs		13 608 500	0
<b>Sum innskutt egenkapital</b>		<b>15 008 500</b>	<b>1 200 000</b>
<b>Opptjent egenkapital</b>			
Fund for valuation differences		68 503 731	61 627 624
Retained earnings		54 880 246	20 022 648
<b>Sum opptjent egenkapital</b>		<b>123 383 977</b>	<b>81 650 272</b>
<b>Sum egenkapital</b>	12	<b>138 392 477</b>	<b>82 850 272</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	6	45 340	0
<b>Sum avsetninger for forpliktelser</b>		<b>45 340</b>	<b>0</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>45 340</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		3 197 389	7 622 232
Tax payable	7	5 312 970	5 801 963
Skyldige offentlige avgifter		5 829 592	23 057 176
Utbytte	12	29 658 659	60 000 000
Other short term liabilities		145 433 632	85 819 853
<b>Sum kortsiktig gjeld</b>		<b>189 432 242</b>	<b>182 301 224</b>
<b>Sum gjeld</b>		<b>189 477 582</b>	<b>182 301 224</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>327 870 059</b>	<b>265 151 496</b>



## Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Commission		461 867 463	397 358 611
Other revenue		3 998 415	3 755 954
<b>Sum inntekter</b>	1,2	<b>465 865 878</b>	<b>401 114 565</b>
<b>Kostnader</b>			
Personnel expenses	3	348 334 611	292 201 973
Depreciation	4	1 203 119	933 953
Other operating expenses	3	42 568 883	33 755 998
<b>Sum kostnader</b>		<b>392 106 613</b>	<b>326 891 924</b>
<b>Driftsresultat</b>		<b>73 759 265</b>	<b>74 222 641</b>
<b>Finansinntekter og finanskostnader</b>			
Income from associated companies	4	1 370 637	1 428 196
Other financial income		5 508 742	6 668 243
<b>Sum finansinntekter</b>		<b>6 879 379</b>	<b>8 096 439</b>
Other financial expenses		806 290	346 555
<b>Sum finanskostnader</b>		<b>806 290</b>	<b>346 555</b>
<b>Netto finans</b>		<b>6 073 089</b>	<b>7 749 884</b>
<b>Ordinært resultat før skattekostnad</b>		<b>79 832 354</b>	<b>81 972 525</b>
Tax	6	15 469 767	14 406 041
<b>Ordinært resultat etter skattekostnad</b>		<b>64 362 587</b>	<b>67 566 484</b>
<b>Årsresultat</b>		<b>64 362 587</b>	<b>67 566 484</b>



### Konsernets balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	6	0	725 629
<b>Sum immaterielle eiendeler</b>		<b>0</b>	<b>725 629</b>
<b>Varige driftsmidler</b>			
Equipment and other movables	4	2 500 832	2 489 176
<b>Sum varige driftsmidler</b>		<b>2 500 832</b>	<b>2 489 176</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	5	644 724	649 087
Investments in share	7	6 844 560	6 844 560
<b>Sum finansielle anleggsmidler</b>		<b>7 489 284</b>	<b>7 493 647</b>
<b>Sum anleggsmidler</b>		<b>9 990 116</b>	<b>10 708 452</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivables	8,9	64 185 923	85 855 652
Other receivables		6 140 906	6 456 690
Receivables associated companies	5	1 375 000	1 250 000
<b>Sum fordringer</b>		<b>71 701 829</b>	<b>93 562 342</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankdeposit NOK		138 276 485	92 052 928
Bankdeposit other currencies	10	200 210 953	158 837 976
<b>Sum bankinnskudd, kontanter og lignende</b>	11	<b>338 487 438</b>	<b>250 890 904</b>
<b>Sum omløpsmidler</b>		<b>410 189 267</b>	<b>344 453 246</b>
<b>SUM EIENDELER</b>		<b>420 179 383</b>	<b>355 161 698</b>



## Konsernets balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	12,13	1 400 000	1 200 000
Overkurs		13 608 500	0
<b>Sum innskutt egenkapital</b>		<b>15 008 500</b>	<b>1 200 000</b>
<b>Opptjent egenkapital</b>			
Retained earnings		123 151 605	87 599 360
<b>Sum opptjent egenkapital</b>	12	<b>123 151 605</b>	<b>87 599 360</b>
<b>Sum egenkapital</b>		<b>138 160 105</b>	<b>88 799 360</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	6	45 340	0
<b>Sum avsetninger for forpliktelser</b>		<b>45 340</b>	<b>0</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>45 340</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		3 611 789	6 827 172
Tax payable	7	12 584 130	14 470 975
Skyldige offentlige avgifter		5 829 592	23 057 176
Utbytte	12	29 658 659	60 000 000
Other short term liabilities		230 289 768	162 007 015
<b>Sum kortsiktig gjeld</b>		<b>281 973 938</b>	<b>266 362 338</b>
<b>Sum gjeld</b>		<b>282 019 278</b>	<b>266 362 338</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>420 179 383</b>	<b>355 161 698</b>



## BOARD OF DIRECTORS STATEMENT 2023

### Corporation

Steen1960 Shipbrokers AS is an international shipbroking company headquartered in Oslo, an office in Bergen and subsidiaries in Singapore and Houston. Steen1960 predominantly covers Gas, Chemicals, Products, and all aspects of project/S&P business, including Research.

### Financial Statement

The operating income for 2023 of NOK 240 487 105 shows an increase from 2022 of NOK 33 242 785.

Operating profit was down from NOK 18 344 492 in 2022 to NOK 18 266 519 in 2023.

Total group operation income has increased from 2022 with 16,1 % and ended at NOK 465 865 878.

Net financial income for the parent company in 2023 was NOK 58 037 681, an income originating mainly from subsidiaries according to the use of the equity method and profit/gain from currency hedging.

This year's calculated taxes equal NOK 6 083 939, and this year's annual net profit is NOK 70 220 262.

The board of directors suggests the following allocation of this year's net profit:

Dividend	NOK 29 658 659
From other equity	<u>NOK 40 561 603</u>
Net brought forward	<u>NOK 70 220 262</u>

The Group Annual net profit is NOK 64 362 587, after NOK 15 469 766 in calculated taxes.

The parent company's equity as of December 31<sup>st</sup>. 2023 is NOK 138 392 477, whereas NOK 1 400 000 is restricted share capital, NOK 13 608 500 share premium reserve, NOK 68 503 731 is a restricted reserve for valuation variances and profit from subsidiaries. NOK 54 880 2246 is retained earnings from operations. The company's equity ratio is 42,2 %.

### Financial risk

The company is exposed to exchange rate risk. A substantial part of the company's revenue is in foreign currency. Approximately 90 % of the company and the group's revenue comes from invoices in USD. This currency risk is, to an extent, hedged through forward contracts.



The risk for losses on receivables is considered low but may increase due to difficult market conditions. The heads of the departments are continuously assessing this. The company considers the liquidity as good, and no measures have been decided that change the liquidity risk. The company has positive net cash flow from operations, and there is an increased focus on overdue receivables both in the company and in the group.

## **Going concern**

In accordance with The Norwegian Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for 2024 and the company's and group's long-term strategic forecasts. The company's economic and financial position is healthy.

## **True and fair view**

The Board of Directors considers the Financial Statement for 2023, including Cashflow statement and notes, to give an accurate and fair view of the company's assets and debts and the company's financial position. These also provide relevant information about the company's development and results.

## **Other information**

The company has employees in Oslo, in Singapore, and in Houston. The working environment is good. The company aims to be a workplace with equal opportunities. Communication between management and the employee/safety representative throughout the year has been good.

There are no reports of injuries or accidents among employees throughout the year. The registered sick leave in the Oslo office is 237 days, which equals 3,79 % of total work hours. In 2024 and forward, we have no long-term leaves.

The Board of Directors consists of three men. The business is run in accordance with the Gender Equality Act.

Steem1960 Shipbrokers AS is as of January 2024 54 employees at the head office in Oslo and the satellite office in Bergen. Of the 54 employees, 7 are women and 47 are men. The women are represented in all the different areas of work the company operates in; Broking, operation and administration. The company has no temporary employees or temporary workers in the company as of January 2023. A woman works 80%, as the position is not, and has not been, larger. A man works 50% at will.

The Steem1960 Group has 19 women employed of totally 92 employees.

All women have the same salary level as men in the same type of work. There is no difference in wages. In general, the company gives the same salary to all employees in the field of work in which they work. Both in the parent company in Oslo and at group level, we have employees of several different nationalities and ethnicities.

The company works actively for good diversity, all applications are assessed regardless of gender, ethnicity, nationality, or religion. This applies to both the parent company in Norway as well as daughters in Singapore and Houston respectively.

The discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and prevent discrimination due to ethnicity, national origin, descent, skin color, language, religion, or faith. The company aims to be a workplace with no discrimination of any kind. By the end of 2023, employees with different nationalities were working with the company.



The company has concluded a report on the Transparency Act, the report can be found on our web site: [www.Steem1960.com](http://www.Steem1960.com).

Steem1960 Shipbrokers AS has an SPS Directors & Officers liability insurance drawn up with Zurich Insurance. This insurance covers the Board and the Directors of the mother company. The Insurance cover Special Excess Protection for Non-executive Directors, Environmental Defence costs, Claims and company crises Loss.

The company is not directly polluting the external environment. The company aims to purchase environmentally friendly office supplies, and we continuously work on having source separation of waste.

The company is not involved directly in any R&D activities, but the company has a highly professional Research department analyzing market trends and producing market forecasts.

### **Future outlook**

Last year was satisfactory as our niche markets were strong. Our expectations for 2024 are to mirror 2023. However, unforeseen geopolitical changes are happening more often now, resulting in high volatility and causing impacts that are difficult to predict. An active S&P market comes in the wake of the volatile earning markets. Although the cost of building new tonnage is currently high, we believe the underlying high returns in the tanker market will keep up the new-building activity.

Oslo, 11. March 2024

Board of Directors in Steem1960 Shipbrokers AS

Rolf Olsen  
Chairman

Olav Vikøren  
Board member

Eirik Maanum  
Board member

S. Botolf Sundby  
CEO



# STEEM 1960

SHIPBROKERS

PARENT COMPANY

## REVENUE STATEMENT

all amounts in NOK

GROUP

2022	2023		Note	2023	2022
		<b>Operating income</b>			
203 488 365	236 488 689	Commissions		461 867 463	397 358 611
<u>3 755 954</u>	<u>3 998 415</u>	other revenue		<u>3 998 415</u>	<u>3 755 954</u>
<u>207 244 320</u>	<u>240 487 105</u>	Operating income	1,2	<u>465 865 878</u>	<u>401 114 565</u>
		<b>Operating expenses</b>			
172 516 696	201 586 491	Salaries and other personnel expenses	3	348 334 611	292 201 973
404 374	499 288	Depreciation	4	1 203 119	933 953
<u>15 978 758</u>	<u>20 134 806</u>	Other operating expenses	3	<u>42 568 883</u>	<u>33 755 998</u>
<u>188 899 828</u>	<u>222 220 585</u>	Operating expenses		<u>392 106 613</u>	<u>326 891 924</u>
<u>18 344 492</u>	<u>18 266 519</u>	Operating result		<u>73 759 264</u>	<u>74 222 641</u>
		<b>Financial income and cost</b>			
38 215 681	45 510 912	Income from subsidiaries, equity method	5	0	0
1 428 196	1 370 637	Income from associated companies	5	1 370 637	1 428 196
6 668 243	12 705 036	Other financial income		5 508 743	6 668 243
<u>-18 381</u>	<u>-1 548 904</u>	Other financial expenses		<u>-806 290</u>	<u>-346 555</u>
<u>46 293 739</u>	<u>58 037 681</u>	Net financial items		<u>6 073 089</u>	<u>7 749 884</u>
<u>64 638 232</u>	<u>76 304 201</u>	Operating result before tax		<u>79 832 354</u>	<u>81 972 526</u>
<u>-5 998 252</u>	<u>-6 083 939</u>	Tax on ordinary result	6	<u>-15 469 766</u>	<u>-14 406 042</u>
<u>58 639 980</u>	<u>70 220 262</u>	Annual net profit		<u>64 362 587</u>	<u>67 566 484</u>
		<b>Brought forward</b>			
-1 360 020	40 561 603	To/from other equity	8		
<u>60 000 000</u>	<u>29 658 659</u>	Dividend	8		
<u>58 639 980</u>	<u>70 220 262</u>	Net brough forward			



# STEEM 1960

SHIPBROKERS

PARENT COMPANY		BALANCE		GROUP	
		All amounts in NOK			
2022	2023	ASSETS	Note	2023	2022
		<b>Fixed assets</b>			
		<b>Intangible Assets</b>			
<u>725 629</u>	<u>0</u>	Deferred tax asset	6	<u>0</u>	<u>725 629</u>
<u>725 629</u>	<u>0</u>	Total intangible assets		<u>0</u>	<u>725 629</u>
		<b>Tangible fixed assets</b>			
<u>881 342</u>	<u>966 641</u>	Equipment and other movables	4	<u>2 500 832</u>	<u>2 489 176</u>
<u>881 342</u>	<u>966 641</u>	Total tangible fixed assets		<u>2 500 832</u>	<u>2 489 176</u>
		<b>Financial fixed assets</b>			
63 910 189	74 170 703	Investments in subsidiaries	5	0	0
8 239 984	10 894 085	Loan to group companies	8	0	0
649 087	644 724	Investments in associated companies	5	644 724	649 087
<u>6 844 560</u>	<u>6 844 560</u>	Investments in shares	7	<u>6 844 560</u>	<u>6 844 560</u>
<u>79 643 819</u>	<u>92 554 072</u>	Total financial fixed assets		<u>7 489 284</u>	<u>7 493 647</u>
<u>81 250 790</u>	<u>93 520 713</u>	<b>Total fixed assets</b>		<u>9 990 116</u>	<u>10 708 452</u>
		<b>Current assets</b>			
		<b>Debtors</b>			
41 248 126	37 302 063	Account receivables	8,9	64 185 923	85 855 652
4 443 731	4 581 853	Other receivables		6 140 906	6 456 690
<u>1 250 000</u>	<u>1 375 000</u>	Receivables associated companies	5	<u>1 375 000</u>	<u>1 250 000</u>
<u>46 941 856</u>	<u>43 258 916</u>	Total debtors		<u>71 701 829</u>	<u>93 562 342</u>
		<b>Cash and bank deposits</b>			
92 052 928	138 276 485	Bank deposits Norwegian kroner		138 276 485	92 052 928
<u>44 905 923</u>	<u>52 813 945</u>	Bank deposit other currencies	10	<u>200 210 953</u>	<u>158 837 976</u>
<u>136 958 851</u>	<u>191 090 430</u>	Total cash and bank deposits	11	<u>338 487 438</u>	<u>250 890 904</u>
<u>183 900 707</u>	<u>234 349 346</u>	<b>Total current assets</b>		<u>410 189 267</u>	<u>344 453 246</u>
<u>265 151 497</u>	<u>327 870 059</u>	<b>TOTAL ASSETS</b>		<u>420 179 383</u>	<u>355 161 698</u>



# STEEM1960

SHIPBROKERS

PARENT COMPANY		GROUP			
2022	2023	EQUITY AND LIABILITIES	Note	2023	2022
<b>EQUITY</b>					
<b>Restricted equity</b>					
1 200 000	1 400 000	Share capital	12,13	1 400 000	1 200 000
0	<u>13 608 500</u>	Share premium reserve		<u>13 608 500</u>	0
<u>1 200 000</u>	<u>15 008 500</u>	Total paid-in capital		<u>15 008 500</u>	<u>1 200 000</u>
<b>Retained earnings</b>					
61 627 624	68 503 731	Fund for valuation differences			
<u>20 022 648</u>	<u>54 880 246</u>	Retained earnings		<u>123 151 605</u>	<u>87 599 360</u>
<u>81 650 272</u>	<u>123 383 977</u>	Total retained earnings	12	<u>123 151 605</u>	<u>87 599 360</u>
<u>82 850 272</u>	<u>138 392 477</u>	<b>Total equity</b>		<b><u>138 160 105</u></b>	<b><u>88 799 360</u></b>
<b>Long term liabilities</b>					
0	<u>45 340</u>	Deferred tax	6	<u>45 340</u>	0
<b>Current liabilities</b>					
23 057 176	5 829 592	Public duties payable		5 829 592	23 057 176
5 801 963	5 312 970	Tax payable	7	12 584 130	14 470 975
60 000 000	29 658 659	Dividends	12	29 658 659	60 000 000
7 622 232	3 197 389	Trade creditors		3 611 789	6 827 172
<u>85 819 853</u>	<u>145 433 632</u>	Other short term liabilities		<u>230 289 779</u>	<u>162 007 013</u>
<u>182 301 225</u>	<u>189 432 242</u>	Total current liabilities		<u>281 973 949</u>	<u>266 362 337</u>
<u>182 301 225</u>	<u>189 477 582</u>	<b>Total liabilities</b>		<b><u>282 019 289</u></b>	<b><u>266 362 337</u></b>
<u>265 151 497</u>	<b><u>327 870 059</u></b>	<b>Total equity and liabilities</b>		<b><u>420 179 383</u></b>	<b><u>355 161 698</u></b>

Oslo, March 11th 2024

The board Steem1960 Shipbrokers AS

Roif Olsen  
Chairman

S. Botolf Sundby  
CEO

Olav Vikøren  
Boardmember

Eirik Maanum  
Boardmember



**STEEM 1960**  
SHIPBROKERS

Parent company

Financial statement 2023

**Cash Flow Statement**

	2023	2022
<b>Cash flow operations</b>		
Profit before tax	76 304 201	64 638 232
Paid taxes	-5 801 963	-4 378 906
Depreciation	499 288	404 374
Changes accounts receivables	3 946 063	-15 322 164
Changes accounts payable	-4 424 843	5 148 359
Changes in other timelimited accounts	29 496 911	19 394 733
<b>Net Cash flow operations</b>	<b>100 019 657</b>	<b>69 884 628</b>
<b>Cash flow investments</b>		
Net changes in fixed assets	584 587	580 829
Net changes in financial assets	-281 165	-18 495 753
<b>Net Cash flow investments</b>	<b>303 422</b>	<b>-17 914 924</b>
<b>Cash flow financials</b>		
Private placement	13 808 500	-
Paid out dividend	-60 000 000	-47 705 221
<b>Net Cash flow financials</b>	<b>-46 191 500</b>	<b>-47 705 221</b>
<b>Net total changes Cash flow</b>	<b>54 131 579</b>	<b>4 264 483</b>
Cash and bankdeposits 1.1	136 958 851	132 694 368
<b>Cash and bankdeposits 31.12</b>	<b>191 090 430</b>	<b>136 958 851</b>



**STEEM 1960**  
SHIPBROKERS

Group	Financial Statment 2023	
	2023	2022
<b>Cash Flow Statement</b>		
<b>Cash flow operations</b>		
Profit before tax	79 832 354	81 972 526
Paid taxes	-14 470 975	-8 197 001
Depreciation	1 203 119	933 953
Changes accounts receivables	21 669 729	-42 815 274
Changes accounts payable	-3 215 383	6 106 861
Changes in other time limited accounts	50 212 294	53 401 668
<b>Net Cash flow operations</b>	<b>135 231 138</b>	<b>91 402 733</b>
<b>Cash flow investments</b>		
Net changes in fixed assets	1 191 463	1 248 180
Net changes financial assets	-2 634 567	-178 196
<b>Net Cash flow investments</b>	<b>-1 443 104</b>	<b>1 069 984</b>
<b>Cash flow financials</b>		
Private placement	13 808 500	-
Paid out dividend	-60 000 000	-47 705 221
<b>Net Cash flow financials</b>	<b>-46 191 500</b>	<b>-47 705 221</b>
<b>Net changes total cash flow</b>	<b>87 596 534</b>	<b>44 767 496</b>
Cash and bankdeposits 1.1.	<b>250 890 904</b>	206 123 408
<b>Cash and bankdeposits 31.12</b>	<b>338 487 438</b>	<b>250 890 904</b>



## Parent Company and Group statements

### Notes to Financial Statement 2023

#### Note 1 - Corporate information and significant accounting policies

The Steem1960 Group consists of Steem1960 Shipbrokers AS, the parent company domiciled in Norway, the two fully-owned subsidiaries, Steem1960 Singapore Pte Ltd and Steem1960 Houston LLC.

The group's business is shipbroking within the segment Gas, CPP, Chemicals and S&P.

The Financial Statement for Steem1960 Shipbrokers AS, the parent company, consists of profit and loss statement, balance sheet, cash flow statement and notes. The financial statement for the year ended 31 December 2023 has been prepared on historical cost basis and according to the requirements of the Norwegian Accounting Act. The subsidiaries have been valued according to equity method of accounting.

The consolidated financial statement for the year ended 31 December 2023 has been prepared on a historical cost basis and according to the Norwegian Accounting Act. The consolidated financial statement is presented in Norwegian Kroner (NOK). The consolidated financial statement consists of profit and loss statement, balance sheet, cash flow statement, and notes. All intercompany transactions, balances, income, and expenses have been eliminated. Consistent accounting policies are applied throughout the group.

#### **Subsidiaries**

Subsidiaries and affiliates have been valued according to the equity method in the parent company's accounts.

The consolidated accounts use the equity method for subsidiaries and affiliates. The share of the result is based on the result after tax in that company in which it has invested, less internal gains and any depreciation of excess value due to the cost of the shares being higher than the acquired share or capitalized equity.

In the profit and loss statement, the earnings share is shown under financial items. If the group loss ratio exceeds investment in an affiliated or subsidiary company, the group's carrying amount is reduced to zero and further losses are not recognized in the profit and loss statement unless the Group has a commitment to cover this loss.

In Singapore they have from 01.01.2019 implemented IFRS 16 lease contract. Our office in Singapore has calculated the changes and implemented the principle in their Financial Statement.

Before entering the subsidiaries according to the equity method in the mother company, the Singapore Financial Statement has been recalculated so the accounting principles are equal and according to Norwegian principles. The consolidated accounts also use the recalculated Statement.

In accordance with generally accepted accounting principles using the equity method, all reported positive earnings in subsidiaries are transferred from accrued other equity to Fund for valuation differences.

#### **Revenue and expense recognition**

The group's main revenue is from shipbroking commissions. Shipbroking commission is recognised at completion of a vessels voyage/at completion of agreed stages of a newbuilding process. The commission income is recognised when the underlying services are completed and acknowledged.

Income is generally recognized in the income statement when earned. Expenses are compared with and expensed at the same time as the income the expenses can be attributed to. Expenses that cannot be directly attributed to income are expensed as incurred.

#### **Fixed assets**

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment write-downs. Ordinary depreciation is calculated over the economic life of the assets based on historical cost.

#### **Foreign currency**

The Steem1960 Shipbroker AS financial statement and the Group financial statement have Norwegian Kroner as reporting currency.

For the parent company all transactions in foreign currencies are recorded using the exchange rate at the transaction date.

At balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the balance sheet date. Gains and losses arising on the retranslation are included in the income statement.

Both subsidiaries have USD as reporting currency, so on consolidation the assets and liabilities are translated into NOK at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average rates for the period. Exchange differences

arising are recognised in the booked value of the subsidiary and transferred from accrued other equity to Fund for valuation differences.



## Foreign exchange risk

Shipbroking commissions are mainly earned in USD. The Parent company has majority of its expenses in NOK. The company exposed to foreign exchange fluctuations. To reduce the exposure the company uses derivative financial instruments, such as forward foreign exchange contracts. Gains or losses are recognized in the income statement.

In 2023 the company sold USD 24 450 000 at an average exchange rate of USD/NOK = 10,3924

At balance sheet date the company has sold USD 6 200 000 for future exchange in 2024

## Receivables

Trade and receivables are recognized at fair value at the date of transaction, less provision for impairment.

## Pension

The parent company has a hybrid contribution based pension plan for all employees in Norway.  
The subsidiaries have arrangements in accordance with local practice and regulations.

## Taxation

Deferred tax is calculated according to Norwegian accounting standards for incometax.

Deferred tax is calculated with 22% of temporary differences at balance sheet date.

Current tax is calculated with 22 % of the net taxable income.

## Related parties

All subsidiaries and affiliated companies and all stockholders, are recognized as related parties. All intercompany transactions are according to fair value and according to the group's Transfer pricing document.

## Cashflow statement

Cash flow statement for the parent company and the group are calculated using the indirect method.

Cash and cash equivalents include cash and bank deposits.

## Changes in use of principles

There have been no changes in use of principles in Norway nor US.

## Note 2 - Operating income - Geographically distribution

	Commission income	Other income	Total
Parentcompany Norway			
Income	236 488 689	3 998 415	240 487 104
Group			
Income	461 867 463	3 998 415	465 865 878
Geographically distributed between the group			
Income	Norway 240 487 104	Singapore 166 452 342	USA 58 926 431

## Note 3 - Payroll expenses

Parent company	2023	2022
Salary	162 505 104	139 409 108
Employer tax	28 529 491	23 205 423
Pension cost	5 684 396	5 311 487
Other benefits	4 867 500	4 590 678
	<u>201 586 491</u>	<u>172 516 696</u>
Number of employees	52	51
Group	2023	2022
Salary	292 967 359	249 698 415
Employer tax	33 369 328	27 266 736
Pension cost	11 141 877	9 076 934
Other benefits	10 856 047	6 159 885
	<u>348 334 611</u>	<u>292 201 973</u>
Number of employees	90	83



Remuneration	CEO	Board of directors
Remuneration		420 000
Salary	3 051 907	
Other individual income to CEO	-	
	<u>3 051 907</u>	<u>420 000</u>

Steem1960 Shipbrokers AS has a SPS Directors & Officers liability insurance drawn up with Zurich Insurance. This insurance covers the Board and the Directors of the mother company only. The insurance covers Special Excess Protection for Non-executive Directors, Environmental Defence costs, Claims and company crisis Loss.

#### Audit

##### Parent company

Remuneration to audit for the Financial year 2023 is a total of NOK 311 730 which is mandatory audit by law. All amounts are exclusive of VAT.

##### Group

Remuneration to audit for the Financial year 2023 for the entire group is NOK 544 322 whereas NOK 369 487 is mandatory audit and NOK 174 835 for other services. All amounts are exclusive of VAT.

#### Pension cost and pension liabilities

The parent company holds a hybrid pension plan for all employees. This plan is not obliged to be capitalized according to NGAAP. The pension plan is according to the Mandatory Occupational Pension Act.

Total deposits for 2023 are NOK 5 684 396.

In Our Houston office there is a 401K pension plan set up. Total deposit for 2023 are USD 101 125.

#### Note 4 - Tangible fixed assets

Parent company	Equipment	Software	Inventory	Offices	Total
Acquisition cost 01.01	1 148 132	1 783 449	119 001	3 091 872	6 142 454
Additions during the year	92 920		304 110	187 557	584 587
Disposals during the year	-				
Acquisitions cost 31.12	<u>1 241 052</u>	<u>1 783 449</u>	<u>423 111</u>	<u>3 279 429</u>	<u>6 727 041</u>
Accumulated ordinary depreciati	1 122 525	1 783 449	159 549	2 694 878	5 760 401
Book value 31.12	<u>118 527</u>	<u>-</u>	<u>263 562</u>	<u>584 551</u>	<u>966 641</u>
Depreciation during the year	<u>69 082</u>		<u>40 552</u>	<u>389 653</u>	<u>499 288</u>
Depreciation plan	Linear	Linear	Linear		
Depreciation rate	3 years	5 years	7 years		

The company has renewed the tenancy agreement in Vika Atrium for 7 years. Starting in 2023. All new cost in setting up the office has been capitalized and depreciated over the 7 year period.

The company has renegotiated the tenancy agreement for a further 7 years until end april 2030.

The actual tenancy agreement is not capitalized, yearly rent is NOK 6 720 985



Group	Equipment and Software	Inventory	Offices	Total
Acquisition cost 01.01	6 425 352	3 748 487	5 120 638	15 294 477
Additions during the year	48 444	322 391	200 436	571 271
Disposals during the year	-	-	-	-
Acquisitions cost 31.12	<u>6 473 796</u>	<u>4 070 878</u>	<u>5 321 074</u>	<u>15 865 748</u>
Accumulated ordinary depreciation	5 998 300	3 505 901	3 860 715	13 364 916
Book value 31.12	<u>475 497</u>	<u>564 977</u>	<u>1 460 359</u>	<u>2 500 832</u>
Depreciation during the year	<u>206 173</u>	<u>176 819</u>	<u>820 125</u>	<u>1 203 119</u>
Depreciation plan	Linear	Linear	Linear	
Depreciation rate	3 years	5 years	10 years	

## Note 5 - Investments in subsidiaries and affiliated companies

Parent company	Steen 1960	Steen 1960
Subsidiaries:	Singapore Pte Ltd	Houston LLC
Office	Singapore	Houston, USA
Ownership	100 %	100 %
Acquisition cost	4 483 030	4 395 895
Profit/loss	USD 3 350 380 35 395 761	USD 957 448 10 115 151
Result of investments in subsidiaries	<u>35 395 761</u>	<u>10 115 151</u>
Value on balances sheet		
Value 01.01	62 898 702	1 011 487
This years result	35 395 761	10 115 151
Currency variances	1 515 376	-343 274
received dividend	<u>-36 422 500</u>	<u>-</u>
Value 31.12	<u>63 387 339</u>	<u>10 783 364</u>

Affiliated company	Steenland
Office	Containerships AS
Ownership	Oslo
Ownership	50 %
Acquisition cost	165 000
Profit/loss	2 741 274
Result of investments in affiliated company	<u>1 370 637</u>
Value on balances sheet	
Value 01.01	649 087
This years result	1 370 637
received dividend	<u>-1 375 000</u>
Value 31.12	<u>644 724</u>



## Note 6 - Taxes

### Parent company

	2023	2022
Tax payable		
Profit before tax	76 304 200	64 638 232
Permanent differences	-52 062 125	-38 080 938
Changes in temporary differences	-92 211	-184 733
Basis for tax payable	<u>24 149 864</u>	<u>26 372 561</u>

Tax payable 22 % 5 312 970 5 801 963

### Tax on ordinary result

Tax payable	5 312 970	5 801 963
Changes in deferred tax	770 970	196 289
Total tax expenses	<u>6 083 939</u>	<u>5 998 252</u>

### Specification of temporary differences

	2023	2022	Changes
Tangible fixed assets	78 286	-32 733	
Receivables	62 517	81 324	
Other temporary differences	-	-	
	<u>140 803</u>	<u>48 591</u>	<u>-92 212</u>

### Dividend booked as income

Dividend booked as income	65 289	37 500	
Shares outside the exemption method	-	-3 384 408	
Total tax reductable differences	<u>206 092</u>	<u>-3 298 317</u>	<u>3 504 409</u>

Deferred tax 22 % 45 340 -725 630 -770 970

### Group

#### Tax calculation for 2023 in Singapore is calculated as follows:

	USD
Profit before taxation	4 080 776
Add Non-deductible expenses	
Other non deductible	315 241
Less Non-taxable income	
Partial tax exemption and tax relief	-238 482
Taxable income	<u>4 157 535</u>
Singapore Statutory Tax 17 %	706 781
Under provision in prior year	<u>20 328</u>
Taxation	<u>727 109</u>

#### Tax calculation for 2023 in Houston I calculated as follows:

	USD
Profit before tax	1 118 753
Permanent differences	57 823
Temporary differences	<u>86 309</u>
Annualized	1 262 885
NOL to be utilized in 2023	-
FDII	<u>-457 525</u>
Taxable income after NOL and FDII	805 360
Federal income tax 21 %	<u>169 126</u>

Steem1960 Houston LLC has paid Property tax and Franchise tax to Texas a total of USD 15 206.74  
Steem1960 Houston LLC overpaid federal tax in 2022, return received with USD 23 165,59



Tax expenses Group:	2023	2022
<b>Tax payable on net income</b>	<b>12 584 130</b>	<b>14 470 975</b>
Taxes payable on ordinary result	12 584 130	14 470 975
Changes in deferred taxes	1 189 420	-64 933
Prepayment	1 696 346	0
Tax on ordinary profit	<b>15 469 896</b>	<b>14 406 042</b>

## Note 7 - Investments in stocks

Financial tangible assets		Acquisition cost	Booked value	Market value	dividend
Fix Investments AS	23,55 %	6 714 560	6 714 560	8 091 430	926 288
Other stocks		130 000	130 000	-	-
<b>Investments in other companies</b>		<b>6 844 560</b>	<b>6 844 560</b>	<b>-</b>	<b>-</b>

The company Fix Investments AS was a startup in 2021, and is in January 2022 registered and activ. Steem1960 Shipbrokers AS share of company is 23,55 %. The company is not consolidated.

## Note 8 - Receivables group companies

Subsidiary	2023	2022
Receivables Steem1960 Singapore Pte Ltd.	2 066 935	5 913 469
Receivables Steem1960 Houston LLC	10 941 423	11 273 561
	<b>13 008 358</b>	<b>17 187 030</b>

Receivables and interest against subsidiaries in Singapore and Houston are eliminated in the consolidated financial statements.

## Note 9 - Accounts receivable

	2023	2022
<b>Parent company</b>		
Accounts receivable	37 302 063	41 248 126
<b>Group</b>		
Accounts receivable	<b>64 185 923</b>	<b>85 855 652</b>

## Note 10 - Mortgages and guarantees

Capitalized debt secured by mortgage etc.	2023	2022
Rent guarantee Olav Thon Eiendom	3 337 079	3 000 000
Debt to credit institutions (cash credit)		
<b>Total</b>	<b>3 337 079</b>	<b>3 000 000</b>

Carrying value of assets pledged as security for mortgage debt.

The parent company no longer has an overdraft agreement with the bank, therefor security for mortgage debt is no longer necessary.

## Note 11 - Restricted bank deposits

	2023	2022
<b>Parent company</b>		
Restricted tax withholdings	2 777 959	15 919 487
<b>Group</b>		
Restricted tax withholdings	<b>2 777 959</b>	<b>15 919 487</b>



## Note 12 - Equity capital

Parent company	Share capital	Share Premium	Other E.Q	Revaluation	Total
Equity capital 01.01.	1 200 000	0	20 022 648	61 627 624	82 850 272
EQ changes	200 000	13 608 500			13 808 500
Other EQ changes				1 172 103	1 172 103
Received dividend			36 422 500	-36 422 500	-
Allocated dividend			-29 658 659		-29 658 659
Net income			28 093 758	42 126 504	70 220 262
Equity capital 31.12.	1 400 000	13 608 500	54 880 246	68 503 731	138 392 477

Group	Share capital	Share premium	Other E.Q	Revaluation	Total
Equity capital 01.01.	1 200 000		87 599 360	-	88 799 360
EQ Changes	200 000	13 608 500	-		13 808 500
Conversion difference			848 318		848 318
Allocated dividend			-29 658 659		-29 658 659
Net income			64 362 587		64 362 587
Equity capital 31.12.	1 400 000	13 608 500	123 151 605	-	138 160 105

## Note 13 - Share capital and shareholders

### Shareholder information

#### Ownership structure

Shareholders per 31.12.23 were:

	Ordinary shares	Total		Ownership	Voting rights
		Share capital			
Steenslandfondet	38 822	155 288		11,09 %	11,09 %
Svend Botolf Sundby	18 000	72 000		5,14 %	5,14 %
Carsten Nordklev	18 000	72 000		5,14 %	5,14 %
Eirik Maanum	18 000	72 000		5,14 %	5,14 %
Christian Abel Engh	18 000	72 000		5,14 %	5,14 %
Christian Rognaldsen	18 000	72 000		5,14 %	5,14 %
Martin Ronningen	18 000	72 000		5,14 %	5,14 %
Axel B. Storm	11 915	47 660		3,40 %	3,40 %
Jorgen Tvedt	11 915	47 660		3,40 %	3,40 %
Marius Chul Lie	11 117	44 468		3,18 %	3,18 %
Morten Andersen	10 411	41 644		2,97 %	2,97 %
Rasmus O. Schmidt	10 411	41 644		2,97 %	2,97 %
Tormod Brækhus	10 411	41 644		2,97 %	2,97 %
Pål A. Bjørnstad	10 411	41 644		2,97 %	2,97 %
Anders Lindstøl	9 617	38 468		2,75 %	2,75 %
Christian Gleditsch	9 000	36 000		2,57 %	2,57 %
Martin Lorenz	9 000	36 000		2,57 %	2,57 %
Herman Forfang	8 250	33 000		2,36 %	2,36 %
Lim Yu Jin	7 500	30 000		2,14 %	2,14 %
Prode Fuhr	7 411	29 644		2,12 %	2,12 %
Thomas Hoel	7 411	29 644		2,12 %	2,12 %
Christopher Yeo Kar Jun	6 750	27 000		1,93 %	1,93 %
Jesper Gundersen	6 161	24 644		1,76 %	1,76 %
Jawahar Coelho	6 000	24 000		1,71 %	1,71 %
Arne Petter Christiansen	5 911	23 644		1,69 %	1,69 %
Henrik Ruus	5 000	20 000		1,43 %	1,43 %
Ilya Izmaylov	4 750	19 000		1,36 %	1,36 %
Aksel Qvist	4 411	17 644		1,26 %	1,26 %
Ole Kristian Aarnes	4 333	17 332		1,24 %	1,24 %
Kristoffer Slangsvold	4 332	17 328		1,24 %	1,24 %
Martin Engelsen Hals	3 250	13 000		0,93 %	0,93 %
Ben Wilson	1 750	7 000		0,50 %	0,50 %
Benedic Saw	1 750	7 000		0,50 %	0,50 %
Hans Godøy	1 750	7 000		0,50 %	0,50 %
Jens Larsen-Solhaug	1 750	7 000		0,50 %	0,50 %
Joel Loeng	1 750	7 000		0,50 %	0,50 %
Justin Shi	1 750	7 000		0,50 %	0,50 %
Kevin Lim	1 750	7 000		0,50 %	0,50 %
Kyle Smith	1 750	7 000		0,50 %	0,50 %
Shelly Yuan	1 750	7 000		0,50 %	0,50 %
Sindre Myhrhagen	1 750	7 000		0,50 %	0,50 %
Sum	350 000	1 400 000	100 %	100 %	

Name	Office	No. of ordinary shares
S. Botolf Sundby	CEO	18 000

Notes to Financial Statement Steem1960



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## Independent Auditor's Report

### To the General meeting of Steem1960 Shipbrokers AS

#### Opinion

We have audited the financial statements of Steem1960 Shipbrokers AS.

#### The financial statements comprise:

- The financial statements of the parent Company, which comprise the balance sheet as at 31 December 2023, the income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the balance sheet as at 31 December 2023, the income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

#### In our opinion:

- The financial statements comply with applicable statutory requirements.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

#### 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 as required by 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

The Board of Directors and the Managing Director (management) is responsible for the other information. The other information comprises the Board of Directors' report. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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, we are required to report that fact. We have nothing to report in this regard.



## Opinion on the Board of Directors' report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

## Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 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 insofar as it is not likely that the enterprise will cease operations.

## 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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

BDO AS

Bente Hodne  
State Authorised Public Accountant  
(This document is signed electronically)

Penneo Dokumentnr: L23LO-QAVZE-A8005-JHYKS-A730M-JWNU0



# PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

## Bente Hodne

Statsautorisert revisor

På vegne av: BDO AS

Serienummer: 9578-5995-4-175318

IP: 188.95.xxx.xxx

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Skatteetaten

Vår dato 01.10.2018	Din dato 16.08.2018	Saksbehandler Jeanette Munkvold Skovholt
800 80 000 Skatteetaten.no	Din referanse Tonje Wekre	Telefon 90076012
Org.nr 996250318	Vår referanse 2018/1008221	Postadresse Postboks 9200 Grønland 0134 Oslo

STEEM1960 SHIPBROKERS AS  
Postboks 1717 Vika  
0111 OSLO

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Steem1960 Shipbrokers AS, org.nr. 959 652 511

Vi viser til deres brev av 16. august 2018 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Steem1960 Shipbrokers AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Steem1960 Shipbrokers AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at det benyttes engelsk språk ved utarbeidelsen av årsregnskapet og årsberetningen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

### Bakgrunn

Fra søknaden gjengis:

*Steem1960 Shipbrokers AS er mor i et mindre konsern over tre land; Oslo, Singapore og Houston. Konsernet har i all hovedsak utenlandske kunder og samarbeidspartnere. Mor-selskapet Steem1960 Shipbrokers AS, leverer årsregnskap for konsernet til Brønnøysund. Fra 2017 fikk Steem1960 Shipbrokers AS 5 utenlandske aksjonærer i tillegg til sine norske.*

*I dagens samfunn hvor det er større krav til selskapsinformasjon og samsvarserklæringer overfor både store og små selskaper i Norge og ellers i verden, ser vi behovet for å ha all vår informasjon på engelsk.*

Selskapets vedtektsfestede formål er skipsfart, skipsmeglervirksomhet og hva som dermed står i forbindelse, samt assuranceagentur, og opererer således i en internasjonal bransje hvor engelsk normalt er arbeidsspråket.

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal årsregnskapet og årsberetningen være på norsk.



Departementet kan ved forskrift eller ved enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.

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 kan gis, 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 selskapet har utenlandske aksjonærer, og datterselskaper i Singapore og Houston. Virksomheten er utpreget internasjonal og arbeidsspråket i bransjen er engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Jeanette Munkvold Skovholt

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*



**STEEM1960 SINGAPORE PTE. LTD.  
(Incorporated in Singapore)**

**Company registration number: 199705529G**

**AUDITED FINANCIAL STATEMENTS FOR THE  
FINANCIAL YEAR ENDED 31 DECEMBER 2023**

**AUDNEST ASSURANCE**



STEEM1960 SINGAPORE PTE. LTD.

## TABLE OF CONTENTS

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### AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR EDNED 31 DECEMBER 2023

<u>CONTENTS</u>	<u>PAGE NO.</u>
Directors' Statement	1 - 2
Independent Auditor's Report	3 - 5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10 - 37



STEEM1960 SINGAPORE PTE. LTD.

## DIRECTORS' STATEMENT

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The Directors of STEEM1960 SINGAPORE PTE. LTD. presents their statement to the member together with the audited financial statements of the Company for the financial year ended 31 December 2023.

### 1. Opinion of Directors

In the opinion of the Directors,

- (a) the accompanying financial statements of the Company together with the notes thereon, are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and of the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

### 2. Directors

The Directors of the Company in office at the date of this statement are:

Dag Audun Rommen  
Svend Botolf Sundby  
Chua Chor Kiang  
Gleditsch Christian

### 3. Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 4. Directors' interests in shares and debenture

According to the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), none of the Directors of the Company who held office at the end of the financial year had any interests in the shares or debentures of the Company or its related corporations.



STEEM1960 SINGAPORE PTE. LTD.

DIRECTORS' STATEMENT

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5. Share options

There were no share options granted by the Company during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option as at the end of the financial year.

On behalf of the Board of Directors

Svend Botolf Sundby  
Director

Gleditsch Christian  
Director

Singapore  
Date, **4 MAR 2024**



## AUDNEST ASSURANCE

CHARTERED ACCOUNTANTS SINGAPORE

(Registration No. T15PF0007K)

105 Cecil Street

The Octagon, #22-00(Suite 2225)

Singapore 069534

Tel : (+65) 6221 6448

E-mail: info@audnest.com.sg

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF STEEM1960 SINGAPORE PTE. LTD.

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#### REPORT ON THE FINANCIAL STATEMENTS

##### Opinion

We have audited the financial statements of **Steem1960 Singapore Pte. Ltd.** (the Company), which comprise the statement of financial position of the Company as at 31 December 2023, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on page 1 to 2.

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 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, we are required to report that fact. We have nothing to report in this regard.

##### Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provision of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition, and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.



## AUDNEST ASSURANCE

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF STEENM1960 SINGAPORE PTE. LTD.

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#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements (Continued)**

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 unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

#### **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 SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 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 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.

We communicate with the 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.



AUDNEST  
ASSURANCE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
STEENM1960 SINGAPORE PTE. LTD.

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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

AUDNEST ASSURANCE  
Public Accountants and  
Chartered Accountants

Singapore

Date, 4 MAR 2024



STEEM1960 SINGAPORE PTE. LTD.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 US\$	2022 US\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment	4	116,877	121,931
Right-of-use assets	5	703,383	661,738
		<u>820,260</u>	<u>783,669</u>
<b>Current assets</b>			
Trade and other receivables	6	2,630,188	3,978,209
Prepaid operating expenses		123,985	146,788
Cash and cash equivalents	7	10,454,638	9,107,782
		<u>13,208,811</u>	<u>13,232,779</u>
<b>Total assets</b>		<u>14,029,071</u>	<u>14,016,448</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	8	187,750	187,750
Unappropriated profit		6,030,252	6,176,585
<b>Total equity</b>		<u>6,218,002</u>	<u>6,364,335</u>
<b>Non-current liabilities</b>			
Lease liabilities	9	184,596	392,237
<b>Current liabilities</b>			
Trade and other payables	10	582,461	518,897
Accrued operating expenses		5,822,497	5,623,130
Lease liabilities	9	514,515	286,092
Provision for taxation	11	707,000	831,757
		<u>7,626,473</u>	<u>7,259,876</u>
<b>Total liabilities</b>		<u>7,811,069</u>	<u>7,652,113</u>
<b>Total equity and liabilities</b>		<u>14,029,071</u>	<u>14,016,448</u>

*The accompanying notes form an integral part of these financial statements.*



STEEM1960 SINGAPORE PTE. LTD.

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Note	2023 US\$	2022 US\$
<b>REVENUE</b>			
Commission income	12	15,755,520	15,549,461
<b>ADD: Other items of income</b>			
Government grants		12,431	10,865
Recovery of trade receivables impaired		7,650	-
Reversal of allowance for trade receivables impaired		43,286	-
Reversal of lease liabilities		92,205	-
Miscellaneous income		20	-
<b>LESS: Other items of expense</b>			
Distribution costs		(90,903)	(51,771)
Administrative expense		(9,848,837)	(9,291,978)
Other expenses		(1,868,413)	(1,487,672)
Finance costs			
- Interest expenses on lease liabilities		(22,183)	(21,071)
		(11,830,336)	(10,852,492)
Profit before taxation	13	4,080,776	4,707,834
Taxation	14	(727,109)	(815,189)
<b>Net profit for the year, representing total comprehensive income for the year</b>		<b>3,353,667</b>	<b>3,892,645</b>

*The accompanying notes form an integral part of these financial statements.*



STEEM1960 SINGAPORE PTE. LTD.

STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Share capital US\$	Unappropriated profit US\$	Total equity US\$
Balance as at 1 January 2022		187,750	4,283,940	4,471,690
Net profit for the year, representing total comprehensive income for the year		-	3,892,645	3,892,645
Dividend paid	15	-	(2,000,000)	(2,000,000)
Balance as at 31 December 2022		<u>187,750</u>	<u>6,176,585</u>	<u>6,364,335</u>
Net profit for the year, representing total comprehensive income for the year		-	3,353,667	3,325,667
Dividend paid	15	-	(3,500,000)	(3,500,000)
Balance as at 31 December 2023		<u>187,750</u>	<u>6,030,252</u>	<u>6,218,002</u>

*The accompanying notes form an integral part of these financial statements.*



STEEM1960 SINGAPORE PTE. LTD.

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Note	2023 US\$	2022 US\$
<b>Cash flow from operating activities</b>			
Profit before taxation		4,080,776	4,707,834
Adjustments for:			
Allowance for impairment on trade receivables		-	19,861
Depreciation of plant and equipment		53,676	49,728
Depreciation of right-of-use asset		446,731	353,921
Interest expenses on lease liabilities		22,183	21,071
Reversal of lease liabilities		(92,205)	-
Written off of right-of-use asset		74,710	-
Operating cash flows before working capital changes		4,585,871	5,152,415
Working capital changes:			
Trade and other receivables		1,445,016	(2,157,996)
Prepaid operating expenses		22,803	(33,227)
Trade and other payables		63,564	219,090
Accrued operating expenses		199,367	2,187,530
Contract assets		-	57,361
Contract liabilities		-	(117,349)
		1,730,750	155,409
Cash generated from operations		6,316,621	5,307,824
Income tax paid		(851,866)	(416,352)
Net cash generated from operating activities		5,464,755	4,891,472
<b>Cash flow from investing activities</b>			
Purchase of plant and equipment		(48,622)	(8,307)
Net cash used in investing activities		(48,622)	(8,307)
<b>Cash flow from financing activities</b>			
Dividend paid		(3,500,000)	(2,000,000)
(Advance to) / Repayment from the immediate holding corporation		(96,996)	42,758
Repayment of obligations under leases		(472,281)	(369,855)
Net cash used in financing activities		(4,069,277)	(2,327,097)
Net change in cash and cash equivalents		1,346,856	2,556,068
Cash and cash equivalents as at 1 January		9,107,782	6,551,714
Cash and cash equivalents as at 31 December	7	10,454,638	9,107,782

*The accompanying notes form an integral part of these financial statements.*



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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These notes form an integral part of and should be read in conjunction with the audited financial statements.

### 1. General corporate information

Steen1960 Singapore Pte. Ltd. (the "Company") is a private limited liability company, incorporated and domiciled in Singapore with its registered office is at 531 Upper Cross Street, #03-15, Hong Lim Complex, Singapore 050531 and principal place of business is at 4 Robinson Road #09-01 The House of Eden Singapore 048543. The registration number of the Company is 199705529G.

The principal activity of the Company is that of ship broking.

The immediate and ultimate holding corporation is STEEM1960 SHIPBROKERS AS, a company incorporated in Norway.

The financial statements of the Company for the financial year ended 31 December 2023 were authorized for issue on the date of the Directors' Statement.

### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation of financial statements

The audited financial statements have been prepared in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards ("FRS"). The financial statements are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The Company's financial statements are measured and presented in the currency of the primary economic environment in which the Company operates (its functional currency). The financial statements are presented in United States of America Dollar (US\$), which is the Company's functional currency.

During the financial year, the Company adopted the new or revised FRSs that are relevant to its operations and effective for the current financial year. The adoption of the new or revised FRS did not result in any substantial changes to the Company's accounting policies and has no material effect on the amounts reported for the current and prior financial year.

#### *Standards issued but not yet effective*

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.2 Impairment of non-financial assets (excluding inventories, investment properties and deferred tax assets)

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

#### 2.3 Plant and equipment

Plant and equipment are initially recorded at cost. Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to the plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that the future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Company, and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

An item of plant and equipment is derecognised upon disposed or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the financial year when the asset is derecognised.

Depreciation is calculated using the straight-line method to allocate the depreciable amounts of the plant and equipment over their estimated useful life as follows:



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

### 2. Summary of significant accounting policies (Continued)

#### 2.3 Plant and equipment (Continued)

	Years
Computers	3
Furniture and fittings	5
Office equipment	5
Renovation	2
Signage	3

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end to ensure that the residual values, period of depreciation and depreciation method are consistent with previous estimates and expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment.

Asset held under finance lease is depreciated over its expected useful lives on the same basis as owned asset or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

#### 2.4 Financial assets

The Company recognises a financial asset in its statement of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument.

The Company classifies its financial assets into one of the categories below, depending on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Company shall reclassify its affected financial assets when and only when the Company changes its business model for managing these financial assets. Other than financial assets in a qualifying hedging relationship, the Company's accounting policy for each category is as follows:

##### Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simplified approach within SFRS 109 using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.4 Financial assets (Continued)

##### Amortised cost (Continued)

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

From time to time, the Company elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the consolidated statement of comprehensive income (operating profit).

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

##### Financial assets at fair value through other comprehensive income ("FVOCI")

The Company has a number of strategic investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. For those equity investments, the Company has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Company considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal, any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

##### Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits with banks and financial institutions. Cash and cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash on hand and which are subject to an insignificant risk of change in value. For the purpose of statement of cash flows, cash and cash equivalents comprise cash at bank and on hand.

#### 2.6 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or other financial liabilities.

Financial liabilities are classified as at FVTPL of the financial liabilities is either held for trading, including derivatives not designated and effective as a hedging instruments, or it is designated as such upon initial recognition. The Company has not designated any financial liabilities as FVTPL upon initial recognition.

The accounting policies adopted for other financial liabilities are set out below.

##### (i) Trade and other payables

Trade and other payables are recognised initially at cost which represents the fair value of the consideration to be paid in the future, less transaction cost, for goods received or services rendered, whether or not billed to the Company, and are subsequently measured at amortised cost using the effective interest method.

##### *Recognition and derecognition*

Financial liabilities are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are derecognised when the contractual obligation has been discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

#### 2.7 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event which is probable and will result in an outflow of resources embodying economic benefits that will require to be settled the obligation and the amount the obligation of can be reliably estimated.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.7 Provisions (Continued)

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### 2.8 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. The Company classifies ordinary share as equity instrument.

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of treasury shares.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

#### 2.9 Share capital

Ordinary shares are classified as equity and recognised at the fair value of the consideration received. Incremental costs directly attributable to the issuance of new equity instruments are shown in the equity as a deduction from the proceeds.

#### 2.10 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of which the Company expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in the contracts with customers may include fixed amounts, variable amounts or both. All of the Company's revenue is derived from fixed price contracts and therefore, the amount of revenue earned for each contract is determined by reference to those fixed prices.

Commission income from ship brokerage is recognized at the point when the voyage has completed and the ship owner has the right to collect the freight charges for the shipment from the charterer. Performance obligations are satisfied when the controls of products (i.e. risk of obsolescence and loss of shipment) are transferred to the charterer.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.11 Leases

##### *As lessee*

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

##### Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying amount of lease liabilities also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option; and
- any penalties payables for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

The Company presents the right-of-use assets (excluding those which meet the definition of investment property) and lease liabilities separately from other assets and other liabilities in the consolidated statement of financial position.

##### Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.11 Leases (Continued)

##### Subsequent measurement (Continued)

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset may be impaired. The accounting policy on impairment is as described in Note 2.2 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities [and variable lease payments not included in the measurement of the lease liabilities] are recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Company revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For lease contracts that convey a right to use an identified asset and require services to be provided by the lessor, the Company has elected to account for the entire contract as a lease. The Company does not allocate any amount of contractual payments to, and account separately for, any services provided by the lessor as part of the contract.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.12 Employee benefits

##### *Defined contribution plans*

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution plan. Contributions to defined contribution plans are recognized as an expense in profit or loss in the same financial year as the employment that gives rise to the contributions.

##### *Employee leave entitlement*

Employee entitlements to annual leave are recognized when they accrue to employees. An accrual is made for the estimated undiscounted liability for recognized annual leave expected to be settled wholly within 12 months from the reporting date as a result of services rendered by employees up to the end of the reporting year.

#### 2.13 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### Current income tax

The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from profit reported as profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is recognized at the amount expected to be paid or recovered from the taxation authorities and is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year.

Current income taxes are recognized in profit or loss, except to the extent that the tax relates to items recognized outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### Deferred tax

Deferred tax is recognized on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be recognized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.13 Income tax (Continued)

##### Deferred tax (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset recognized based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects to recover or settle its assets and liabilities, except for investment properties at fair value which are presumed to be recovered through sale.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same tax authority and where there is intention to settle the current tax assets and liabilities on a net basis.

##### Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### 2.14 Foreign currency transactions

In preparing the financial statements, transactions in currencies other than the Company's functional currency ("foreign currencies") are recorded at the rates of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items and on re-translating of monetary items are recognized in profit or loss for the financial year. Exchange differences arising on the re-translation of non-monetary items carried at fair value are recognized in profit or loss for the financial year except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognized directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognized directly in equity.

#### 2.15 Dividend payments

Equity dividends are recognized when they become legally payable. Interim dividends are recorded during the financial year in which they are declared payable. Final dividends are recorded during the financial year in which the dividends are approved by the shareholders at the Annual General Meeting.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 2. Summary of significant accounting policies (Continued)

#### 2.16 Offsetting financial instruments

Certain financial assets and liabilities offset each other and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle them on a net basis, or realize the asset and settle the liability simultaneously.

#### 2.17 Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognized as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual installments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

### 3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS requires the management to exercise judgement in the process of applying the Company's accounting policies and requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the end of the reporting period, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on the management's best knowledge of historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

#### 3.1 Critical judgements made in applying the accounting policies

In the process of applying the accounting policies, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognized in the financial statements.

#### 3.2 Key sources of estimation uncertainty

There were no significant key assumptions concerning the future, nor other key sources of estimation uncertainty at the year-end that would have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except as discussed below except as discussed below.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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### 3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

#### 3.2 Key sources of estimation uncertainty (Continued)

##### a) Depreciation of plant and equipment

The Company depreciates the plant and equipment, using the straight-line method, over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Company intends to derive future economic benefits from the use of the Company's plant and equipment. The residual value reflects management's estimated amount that the Company would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset were already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges.

The carrying amounts of the Company's plant and equipment at 31 December 2023 were US\$116,877 (2022: US\$121,931) respectively (Note 4).

##### b) Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rate. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 17.

The carrying amount of the Company's trade receivables as at 31 December 2023 was US\$2,260,914 (2022: US\$3,724,058).



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. Plant and equipment

	Computer US\$	Furniture and fittings US\$	Office equipment US\$	Renovation US\$	Signage US\$	Total US\$
<b>Cost</b>						
Balance at 1.1.2022	277,314	62,949	36,359	199,438	707	576,767
Additions	7,342	579	386	-	-	8,307
Disposal	-	-	-	-	-	-
Balance at 31.12.2022	284,656	63,528	36,745	199,438	707	585,074
Additions	33,847	1,895	-	12,880	-	48,622
Written off	-	-	-	-	-	-
Balance at 31.12.2023	318,503	65,423	36,745	212,318	707	633,696
<b>Accumulated depreciation</b>						
Balance at 1.1.2022	264,434	62,056	36,359	49,859	707	413,415
Depreciation for the year	9,455	308	77	39,888	-	49,728
Written off	-	-	-	-	-	-
Balance at 31.12.2022	273,889	62,364	36,436	89,747	707	463,143
Depreciation for the year	12,303	549	78	40,746	-	53,676
Written off	-	-	-	-	-	-
Balance at 31.12.2023	286,192	62,913	36,514	130,493	707	516,819
<b>Net carrying amount</b>						
Balance at 31.12. 2023	32,311	2,510	231	81,825	-	116,877
Balance at 31.12. 2022	10,767	1,164	309	109,691	-	121,931

5. Right-of-use assets

	Office premise and staff accommodation US\$
<b>Cost</b>	
Balance at 1.1.2022	1,537,298
Addition during the year	-
Written off	-
Balance at 31.12.2022	1,537,298
Addition during the year	563,085
Written off	(591,025)
Balance at 31.12.2023	1,509,358



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. Right-of-use assets (Continued)

	Office premise and staff accommodation US\$
<b>Accumulated depreciation</b>	
Balance at 1.1.2022	521,639
Depreciation for the year	353,921
Written off	-
Balance at 31.12.2022	<u>875,560</u>
Depreciation for the year	446,731
Written off	<u>(516,316)</u>
Balance at 31.12.2023	<u>805,975</u>
<b>Net carrying amount</b>	
Balance at 31.12. 2023	<u>703,383</u>
Balance at 31.12. 2022	<u>661,738</u>

6. Trade and other receivables

	2023 US\$	2022 US\$
Trade receivables	2,268,414	3,776,798
Less: Allowance on impairment	<u>(7,500)</u>	<u>(52,740)</u>
Total trade receivables	2,260,914	3,724,058
Non-trade receivable from the immediate holding corporation	195,811	98,815
Deposit	105,017	104,625
GST receivables	14,378	11,210
Other receivables	54,068	39,501
Total other receivables	<u>369,274</u>	<u>254,151</u>
Total trade and other receivables	<u>2,630,188</u>	<u>3,978,209</u>

The average credit period on commission income is 14 days (2022: 14 days). No interest is charged on outstanding trade receivables.

Non-trade receivable from the immediate holding corporation are unsecured, non-interest bearing and has no fixed term of repayment. The balances are expected to be settling by cash.



STEEM1960 SINGAPORE PTE. LTD.

**NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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**6. Trade and other receivables (Continued)**

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

	2023 US\$	2022 US\$
Balance as at 1 January	52,740	32,879
Add: Addition during the year	-	42,177
Less: Reversal of allowance	(45,240)	(22,316)
Balance as at 31 December	<u>7,500</u>	<u>52,740</u>

As at 31 December 2023, trade receivables of US\$7,500 (2022: US\$52,740) were past due and fully impaired. The receivables fully impaired as at the end of financial year relate the customers that do not have any indication of making any repayment to the Company.

Trade and other receivables are denominated in following currencies at the date of the statement of financial position:

	2023 US\$	2022 US\$
Denominated in:		
Singapore dollars	119,395	155,336
United States of America dollars	2,510,793	3,822,873
	<u>2,630,188</u>	<u>3,978,209</u>

**7. Cash and cash equivalents**

Cash and cash equivalents included in the statement of cash flows comprised the following amounts:

	2023 US\$	2022 US\$
Cash at bank	10,454,638	9,106,332
Cash on hand	-	1,450
Cash and cash equivalents	<u>10,454,638</u>	<u>9,107,782</u>



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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**7. Cash and cash equivalents (Continued)**

Cash and cash equivalents are denominated in following currencies at the date of the statement of financial position:

	2023 US\$	2022 US\$
Denominated in:		
Singapore dollars	40,318	85,575
United States of America dollars	10,392,722	9,008,485
Euro	21,598	13,722
	<u>10,454,638</u>	<u>9,107,782</u>

**8. Share capital**

	2023 US\$	2022 US\$
Issued and fully paid 250,000 (2022: 250,000) ordinary shares	<u>187,750</u>	<u>187,750</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

**9. Lease liabilities**

	2023 US\$	2022 US\$
At 1 January 2023	678,329	1,027,113
Additions	563,085	-
Reversal of lease liabilities	(92,205)	-
Interest expense	22,183	21,071
Lease payments:		
- Principal portion	(450,098)	(348,784)
- Interest portion	(22,183)	(21,071)
At 31 December 2023	<u>699,111</u>	<u>678,329</u>



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

**9. Lease liabilities (Continued)**

The maturity analysis of lease liabilities of the Company at each reporting date are as follows:

	2023 US\$	2022 US\$
<b>Contractual undiscounted cash flows</b>		
- Within one financial year	524,222	302,836
- Between two and five financial years	185,731	401,766
- After 5 years	-	-
	<u>709,953</u>	<u>704,602</u>
Less: Future interest expense	(10,842)	(26,273)
Present value of lease liabilities	<u>699,111</u>	<u>678,329</u>
Presented in statement of financial position		
- Within one financial year	514,515	286,092
- Between two and five financial years	184,596	392,237
	<u>699,111</u>	<u>678,329</u>

The Company leases a number of properties (i.e. office remises and staff accommodations) in Singapore. It is customary for lease contract to provide payment to increase each year by inflation, to be reset periodically to market rental rates or fixed payments.

Certain IT equipment of the Company are qualified for low value assets. The election of the low-value lease exemption is made on lease-by-lease basis.

The Company had total cash outflows for leases of US\$472,281 (2022: US\$369,855).

Lease liabilities are denominated in Singapore dollars at the date of the statement of financial position.

**10. Trade and other payables**

	2023 US\$	2022 US\$
Trade payables	6,865	7,244
Trade payable to a related company	1,128	-
Trade payable to the immediate holding corporation	522,509	429,478
Total trade payables	<u>530,502</u>	<u>436,722</u>
Advance receipt from customers	51,959	82,175
Total other payables	<u>51,959</u>	<u>82,175</u>
Total trade and other payables	<u>582,461</u>	<u>518,897</u>

The average credit period granted by suppliers ranged from 30 to 60 days (2022: 30 to 60 days). No interest is charged on the outstanding balances.



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10. Trade and other payables (Continued)

Trade and other payables are denominated in following currencies at the date of the statement of financial position:

Denominated in:	2023 US\$	2022 US\$
Singapore dollars	7,993	4,033
United States of America dollars	574,468	514,864
	<u>582,461</u>	<u>518,897</u>

The following table details the Company's financial liabilities which are subject to offsetting and similar agreements.

	Gross amounts of recognised financial liabilities US\$	Gross amounts of recognised financial assets set off in the statement of financial position US\$	Net amounts of financial liabilities presented in the statement of financial position US\$
<b>As at 31 December 2023</b>			
Trade payable to the immediate holding corporation	<u>577,792</u>	<u>(55,283)</u>	<u>522,509</u>
<b>As at 31 December 2022</b>			
Trade payable to the immediate holding corporation	<u>599,908</u>	<u>(170,430)</u>	<u>429,478</u>

11. Provision for taxation

	2023 US\$	2022 US\$
Balance as at 1 January	831,757	432,920
Provision for the year	707,000	831,757
Payment during the year	(851,866)	(416,352)
Under / (Over) provision in prior year	20,109	(16,568)
Balance as at 31 December	<u>707,000</u>	<u>831,757</u>



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## 12. Revenue

Revenue relates to the commission income derived by the Company and is presented as followed:

-

	2023 US\$	2022 US\$
<b>Revenue from contract with customers within the scope of FRS 115</b>		
Commission income for the year	15,912,634	15,655,589
Less: Commission expense on co-brokering	(157,114)	(106,128)
Net commission income for the year	<u>15,755,520</u>	<u>15,549,461</u>
<b>Timing of revenue recognition</b>		
- At a point in time	<u>15,755,520</u>	<u>15,549,461</u>

## 13. Profit before taxation

Profit before tax has been arrived at charging / (crediting):

	2023 US\$	2022 US\$
Include in Distribution costs:		
Advertisements	567	570
Overseas business travelling expenses	<u>90,336</u>	<u>51,201</u>
Include in Administrative expenses:		
Telecommunication expenses	73,214	64,622
Employee benefits expense:		
- Staff salaries and bonuses	8,872,365	8,394,522
- Employer's CPF and other contributions	311,132	312,992
- Staffs' benefits	111,836	107,376
- Staffs' insurance	415,452	369,211
	<u>9,710,785</u>	<u>9,184,101</u>
Include in Other expenses:		
Depreciation of plant and equipment	53,676	49,728
Depreciation of right-of-use asset	446,731	353,921
Allowance for impairment on trade receivables	-	19,861
Interest expenses on lease liabilities	22,183	21,071
Computer expense	76,898	67,237
Compensation expense	90,000	-
Entertainment expense	503,771	364,348
Exchange loss	125,390	45,012
Professional fee expense	<u>41,137</u>	<u>29,373</u>



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

14. Taxation

	2023	2022
	US\$	US\$
Current financial year income tax	707,000	831,757
Under / (Over) provision in prior year	20,109	(16,568)
	<u>727,109</u>	<u>815,189</u>

The income tax expense on the results for the financial year varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit before taxation due to the following factors:

	2023	2022
	US\$	US\$
Profit before taxation	<u>4,080,776</u>	<u>4,707,834</u>
Income tax calculated at Singapore's statutory income tax rate of 17%	693,732	800,332
Tax effect of non-taxable income	(15,675)	-
Tax effect of non-deductible expenses for income tax purposes	69,266	44,060
Effect of tax exemption and tax relief	(40,542)	(12,635)
Under / (Over) provision in prior year	20,109	(16,568)
Others	219	-
	<u>727,109</u>	<u>815,189</u>

15. Dividend paid

During the financial year ended 31 December 2023, the Company declared and paid a final one-tier tax exempt dividend of US\$14 per ordinary share of the Company totaling US\$3,500,000 in respect of the financial year ended 31 December 2022.

The directors proposed an one-tier tax exempt final dividend of US\$12 per ordinary share of the Company totaling US\$3,000,000. This dividend has not been provided for in the financial statements and is subjected to shareholders' approval at the AGM.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

### 16. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following were significant related party transactions at rates and terms agreed between the Company and its related parties during the financial year:

	2023	2022
	US\$	US\$
<b>With the immediate holding corporation</b>		
Commission income	55,283	170,832
Commission expense on co-brokering	(157,114)	(84,529)
Share of research cost	(321,868)	(431,814)
Computer expenses	(74,684)	(74,177)
Entertainment expenses	(6,697)	(9,388)
Overseas business travelling expenses	(5,006)	-
Staffs benefits expenses	(12,422)	-
Payment of expenses on behalf for	(195,811)	(98,815)
<b>With companies who have common director with significant influence</b>		
Accounting fee expenses	(52,528)	(50,818)
Professional fee expenses	(25,055)	(24,365)
<b>Compensation of key management personal</b>		
Employee benefits expense:		
- Salaries and bonuses	(1,403,221)	(695,172)
- Director's benefit-in-kind	(67,243)	(56,574)
- Staff accommodation paid under lease liability	(138,969)	(83,528)

### 17. Financial risk management

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

### 17. Financial risk management (Continued)

#### a) Market risk

##### (i) Foreign exchange risk management

As at the year end, the Company has certain foreign currency exposures on its other receivables and cash at bank balance which are unhedged. However, the Company reviews periodically that its net exposure is kept at an acceptable level.

The Company's exposure to foreign currency risk primarily relates to operation expenses that are mainly denominated in Singapore dollars.

The company is exposed to the following foreign currencies:

	Euro US\$	S\$ US\$	Total US\$
<b>As at 31 December 2023</b>			
Trade and other receivables	-	119,395	119,395
Cash and cash equivalent	21,598	40,318	61,916
Lease liabilities	-	(699,111)	(699,111)
Trade and other payables	-	(7,993)	(7,993)
Net financial assets / (liabilities)	21,598	(547,391)	(525,793)
Currency exposure	21,598	(547,391)	(525,793)
Effect of 1% change in United States of America dollars on			
- Profit before taxation	216	(5,474)	(5,258)
- Equity	-	-	-
<b>As at 31 December 2022</b>			
Trade and other receivables	-	155,336	155,336
Cash and cash equivalent	13,722	85,575	99,297
Lease liabilities	-	(678,329)	(678,329)
Trade and other payables	-	(4,033)	(4,033)
Net financial assets / (liabilities)	13,722	(441,451)	(427,729)
Currency exposure	13,722	(441,451)	(427,729)
Effect of 1% change in United States of America dollars on			
- Profit before taxation	137	(4,414)	(4,277)
- Equity	-	-	-

The above analysis assumes all other variables are held constant.



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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17. Financial risk management (Continued)

a) Market risk (Continued)

(ii) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rate.

The Company is not exposed to any significant interest rate risk as it does not have any interest bearing financial asset and financial liability.

b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company performs on-going credit evaluation of its counterparties' financial condition and generally does not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 90 days or there is significant difficulty of the counterparty.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk associated with the industry and country in which customers operate, as these factors may have an influence on credit risk.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sales limits are established for each customer, which represents the maximum open amount without requiring approval from the Directors; these limits are reviewed annually. Customers failing to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.

The Company's objective is to seek continual revenue growth while minimising losses incurred due to increase credit risk exposure. The Company trades only with recognised and creditworthy third parties. Trade receivables are monitored on an ongoing basis.

The Company does not require collateral in respect of trade receivables. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17. Financial risk management (Continued)

b) Credit risk (Continued)

Trade receivable(Continued)

*Exposure to credit risk*

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when to the Company has significant exposure to individual customers. At the end of the reporting period, Concentration of trade receivables by the Company's 3 major customers form approximately 19% (2022: 16%) of the total trade receivables.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates.

The Company applies the simplified approach, using a provision matrix, to measure the expected credit losses for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The lifetime expected credit losses, on collective basis, for the Company's trade receivables at each reporting date are as follows:

As at 31 December 2023	Not past due US\$	Past due 1 - 90 days US\$	More than 90 days US\$	Total US\$
Expected loss rate	0%	0%	0%	
Gross carrying amount	802,500	1,012,503	453,411	2,268,414
Loss allowance	-	-	(7,500)	(7,500)
Gross carrying amount	<u>802,500</u>	<u>1,012,503</u>	<u>445,911</u>	<u>2,260,914</u>

As at 31 December 2022	Not past due US\$	Past due 1 - 90 days US\$	More than 90 days US\$	Total US\$
Expected loss rate	0%	0%	0%	
Gross carrying amount	1,472,109	1,861,088	443,601	3,776,798
Loss allowance	-	-	(52,740)	(52,740)
Gross carrying amount	<u>1,472,109</u>	<u>1,861,088</u>	<u>390,861</u>	<u>3,724,058</u>

Information regarding loss allowance movement of trade receivables is disclosed in Note 6.

Based on historical experiences, the Company believes that no additional loss allowance for impairment is necessary in respect of trade receivables still outstanding as at year end date. These receivables are mainly arising by customers that have a good record with the company.



STEEM1960 SINGAPORE PTE. LTD.

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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17. Financial risk management (Continued)

b) Credit risk (Continued)

Rental deposits

The Company is exposed to credit risk related to rental deposits paid to the landlord as part of our operating lease agreements. These rental deposits are typically made to secure the performance of lease obligations by the landlord. The credit risk arises from the potential default or non-performance of the landlord, leading to the loss or non-recovery of rental deposits.

To mitigate this credit risk, the company assesses the creditworthiness and financial standing of the landlord before entering into lease agreements. Additionally, the company periodically reviews the financial position of the landlord to ensure their continued ability to fulfill their lease obligations.

The company maintains a policy of prudently selecting reputable landlords and diversifying its lease agreements across various parties to mitigate the concentration of credit risk. As at 31 December 2023, there is no indication that credit risk on these rental deposits have increased significantly hence, these rental deposits are measured at 12-month expected credit loss model and subject to immaterial credit loss.

Non-trade receivable from the immediate holding corporation

The directors have taken into account information that it has available internally about the immediate holding corporation's past, current and expected operating performance and cash flow position. The directors monitor and assess at each reporting date on any indicator of significant increase in credit risk on the amount due from the respective related parties, by considering their performance ratio and any default in external debts. The risk of default is considered to be minimal as the immediate holding corporation have sufficient liquid assets and cash to repay their debts. Therefore, amount due from the immediate holding corporation has been measured based on 12-month expected credit loss model and subject to immaterial credit loss.

Cash and cash equivalents

As at 31 December 2023, the Company held bank balances of US\$10,454,638 (2022: US\$9,107,782). The bank balances are held with a bank with a high credit ratings and no history of default.

Impairment on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and bank balances have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and bank balances was negligible.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as and when they fall due. The Company's exposure to liquidity risk arises primarily from mismatches of the financial assets and liabilities.

The Company reviews its working capital requirement on a regular basis to assess the adequacy of cash and bank balances to finance its operations.

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17. Financial risk management (Continued)

c) Liquidity risk (Continued)

As at 31 December 2023	Less than 1 year US\$	Between 2 and 5 years US\$	Over 5 years US\$	Total US\$
Trade and other receivables*	2,615,810	-	-	2,615,810
Cash and cash equivalents	10,454,638	-	-	10,454,638
Trade and other payables	(582,461)	-	-	(582,461)
Lease liabilities	(524,222)	(185,731)	-	(709,953)
Net undiscounted financial assets / (liabilities)	11,963,765	(185,731)	-	11,778,034

As at 31 December 2022	Less than 1 year US\$	Between 2 and 5 years US\$	Over 5 years US\$	Total US\$
Trade and other receivables*	3,966,999	-	-	3,966,999
Cash and cash equivalents	9,107,782	-	-	9,107,782
Trade and other payables	(518,897)	-	-	(518,897)
Lease liabilities	(302,836)	(401,766)	-	(704,602)
Net undiscounted financial assets / (liabilities)	12,253,048	(401,766)	-	11,851,282

\* Trade and other receivables exclude GST receivables.

18. Fair value of financial assets and financial liabilities

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

*Fair value hierarchy*

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and



STEEM1960 SINGAPORE PTE. LTD.

## NOTES TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

### 18. Fair value of financial assets and financial liabilities (Continued)

#### *Fair value hierarchy (Continued)*

- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### *Fair value of financial instruments that are not carried at fair value*

The carrying amounts of the current financial assets and current financial liabilities that are not carried at fair value approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these financial instruments.

#### *Fair value of financial instruments carried at fair value*

The Company has no financial assets and financial liabilities carried at fair value as at 31 December 2023.

### 19. Financial instruments by category

As at the year end, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2023 US\$	2022 US\$
<b>Financial assets measured at amortised cost</b>		
Trade and other receivables*	2,615,810	3,966,999
Cash and cash equivalents	10,454,638	9,107,782
Total financial assets measured at amortised cost	<u>13,070,448</u>	<u>13,074,781</u>
	2023 S\$	2022 S\$
<b>Financial liabilities measured at amortised cost</b>		
Trade and other payables	582,461	518,897
Lease liabilities	699,111	678,329
Total financial liabilities measured at amortised cost	<u>1,281,572</u>	<u>1,197,226</u>

\* Trade and other receivables exclude GST receivables.

### 20. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to maximize returns to shareholders and other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital. The directors regularly review and monitor its capital position to ensure that the business activities and growth are prudently funded. The Company seeks to maintain a positive net current asset position and capital surplus position.



STEEM1960 SINGAPORE PTE. LTD.

NOTES TO THE AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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20. Capital risk management (Continued)

	2023 US\$	2022 US\$
Current assets	13,208,811	13,232,779
Current liabilities	(7,626,473)	(7,259,876)
Net current assets	<u>5,582,338</u>	<u>5,972,903</u>
Total assets	14,029,071	14,016,448
Total liabilities	(7,811,069)	(7,652,113)
Capital surplus	<u>6,218,002</u>	<u>6,364,335</u>

In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid to its shareholders, return capital to its shareholders, issue new shares or sell assets to reduce debt.

There are no changes on the Company's objectives, policies or processes relating to the management of the Company's capital structure during the financial period.

The Company is not subject to any externally imposed capital management requirement and is not in breach of any debts covenant made with its lenders.



THIS SCHEDULE HAS BEEN PREPARED FOR MANAGEMENT PURPOSE ONLY  
AND DOES NOT FORM PART OF AUDITED FINANCIAL STATEMENTS



STEEM1960 SINGAPORE PTE. LTD.

**DETAILED INCOME STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	2023 US\$	2022 US\$
<b>REVENUE</b>		
Commission income	15,912,634	15,655,589
Less: Commission expense on co-brokering	(157,114)	(106,128)
	15,755,520	15,549,461
<b>ADD: Other items of income</b>		
Government grants	12,431	10,865
Recovery of trade receivables impaired	7,650	-
Reversal of allowance for trade receivables impaired	43,286	-
Reversal of lease liabilities	92,205	-
Miscellaneous income	20	-
	155,592	10,865
<b>LESS: Other items of expenses</b>		
<b>Distribution costs</b>		
Advertisement expenses	(567)	(570)
Overseas business travelling expenses	(90,336)	(51,201)
	(90,903)	(51,771)
<b>Administrative expenses</b>		
Staff salaries and bonuses	(7,469,144)	(7,699,350)
Employer's CPF and other contributions	(311,132)	(312,992)
Director's remuneration		
- Director's salaries and bonuses	(1,403,221)	(695,172)
- Director's benefit-in-kind	(67,243)	(56,574)
Skill development levy	(2,889)	(2,732)
Bank charges	(12,542)	(11,199)
Insurance expense	(6,406)	(1,101)
Office maintenance	(19,961)	(13,243)
Postage and courier	(1,463)	(614)
Printing and stationery	(6,623)	(5,695)
Leave passage	(6,543)	(5,229)
Staffs' benefits	(44,593)	(50,802)
Staffs' insurance	(415,452)	(369,211)
Staffs' training	(4,900)	-
Telecommunication expenses	(73,214)	(64,622)
Property tax	(3,511)	(3,442)
	(9,848,837)	(9,291,978)



STEEM1960 SINGAPORE PTE. LTD.

**DETAILED INCOME STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	2023 US\$	2022 US\$
<b>Other expenses</b>		
Accounting fee expenses	(52,528)	(50,818)
Allowance for impairment on trade receivables	-	(19,861)
Computer expenses	(76,898)	(67,237)
Compensation expenses	(90,000)	-
Depreciation of plant and equipment	(53,676)	(49,728)
Depreciation of right-of-use asset	(446,731)	(353,921)
Entertainment expenses	(503,771)	(364,348)
Exchange loss	(125,390)	(45,012)
General expenses	(26,172)	(23,860)
Professional fees expenses	(41,137)	(29,373)
Share of research cost from the holding company	(321,868)	(431,814)
Subscription fee	(46,711)	(43,784)
Tax return preparation fee	(2,126)	(810)
Written off of right-of-use asset	(74,710)	-
Utilities	(6,695)	(7,106)
	(1,868,413)	(1,487,672)
<b>Finance costs</b>		
Interest expenses on lease liabilities	(22,183)	(21,071)
	(22,183)	(21,071)
<b>Profit before taxation</b>	<b>4,080,776</b>	<b>4,707,834</b>



# STEEM1960

SHIPBROKERS

## STEEM1960 HOUSTON LLC

### FINANCIAL STATEMENT 2023

#### Profit and Loss

	notes	2023	2022
<b>Revenue</b>			
Commission income		5 577 672	4 593 949
Other ordinary income		-	-
<b>Total income</b>	1	<u>5 577 672</u>	<u>4 593 949</u>
<b>Operating cost</b>			
Salaries and personell cost	2	3 895 631	3 065 014
depreciation		12 945	5 296
Other operating cost		<u>514 581</u>	<u>464 932</u>
<b>Total operating cost</b>		<u>4 423 157</u>	<u>3 535 242</u>
<b>Operating profit/-loss</b>		<b>1 154 515</b>	<b>1 058 707</b>
Financial income		34 490	54
Financial expenses		<u>70 252</u>	<u>-</u>
Net financial items		<u>-35 762</u>	<u>54</u>
<b>Profit before tax</b>		<b>1 118 753</b>	<b>1 058 653</b>
Taxes	3	161 305	58 392
<b>Net profit</b>		<u>957 448</u>	<u>1 000 260</u>
Allocations			
Transfer to/from equity	4	957 448	1 000 260



# STEEM1960

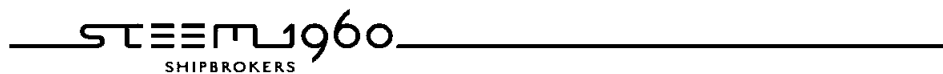
SHIPBROKERS

## STEEM1960 HOUSTON LLC

### FINANCIAL STATEMENT 2023

#### Balance Sheet

	notes	2023	2022
<b>Assets</b>			
Fixed asstes		<u>29 670</u>	<u>41 180</u>
<b>Total Assets</b>		<b><u>29 670</u></b>	<b><u>41 180</u></b>
<b>Current assets</b>			
Receivables	1	718 014	1 454 777
Other receivables		<u>7 853</u>	<u>57 422</u>
total receivables		<u>725 867</u>	<u>1 512 199</u>
<b>cash and bank deposits</b>			
Bank		4 035 257	2 450 358
Total cash and bankdeposits		<u>4 035 257</u>	<u>2 450 358</u>
<b>Total Assets</b>		<b><u>4 790 794</u></b>	<b><u>4 003 737</u></b>
<b>Equity</b>			
Paid-in-equity		515 000	515 000
Total Paid-in.equity		<u>515 000</u>	<u>515 000</u>
Retained earnings	4	<u>545 061</u>	<u>-412 387</u>
<b>Total Equity</b>	4	<b><u>1 060 061</u></b>	<b><u>102 613</u></b>
<b>Debt</b>			
<b>Long term debt</b>			
	5	<u>1 049 520</u>	<u>1 432 828</u>
<b>Short term debt</b>			
Accounts payable		154 115	314 723
Tax Payable	3	7 793	47 694
Other short term debt		<u>2 519 305</u>	<u>2 105 879</u>
Total short term debt		<u>2 681 213</u>	<u>2 468 296</u>
Total debt		<u>3 730 733</u>	<u>3 901 124</u>
<b>Total Equity and debt</b>		<b><u>4 790 794</u></b>	<b><u>4 003 737</u></b>



## STEEM1960 HOUSTON LLC ACCOUNTING NOTES 2023

### 1. Accounting principles

#### Income

Revenue is recognized as income on the date of performance, i.e. when ownership of the merchandise is transferred to the customer, normally at point of dispatch. Costs are recognized at the time of consumption.

#### Foreign currency

Transactions in foreign currency are converted into local currency according to the Exchange rate on the transaction date, in the accounts all money items, receivables and payables in foreign currency are valued at the exchange rate at the balance sheet date.

Net profit and loss on exchange are posted as financial income and financial cost, respectively, and presented as net amounts in the official Statment.

#### Trade debtors

Trade debtors are entered at nominal value less provisions for possible credit losses. The provisions are made on the basis of individual assessments of outstanding claims at the end of the fiscal year.

#### Classification of current assets and current liabilities

Current assets are valued at acquisition cost or actual value, whichever is lower. Current liabilities are debts falling due for payment within a year as well as interest caps on long-term loans.

### 2. Personell and payroll expenses

	2023	2022
Wages & salaries	3 445 498	2 798 813
Employer taxes	144 093	102 811
Group health insurance	192 024	129 307
Retirement plan	101 125	22 025
Other expenses	12 891	12 228
	<u>3 895 631</u>	<u>3 065 184</u>

As per December 31st 2023 we had 7 employees in the Houston office, only men.

### 3. Taxes

	2023
Net income before tax	1 126 574
Permanent Differences	57 823
Temporary differences	78 489
	<u>136 312</u>
Annualized income	1 262 886
NOL to be utilized in 2023	-
FDII	<u>-457 525</u>
Taxable income after NOL	<u>805 361</u>
Federal income tax 21%	<u>169 126</u>

### 4. Equity

	Paid in capital	Retained earnings	Total equity
Equity 01.01.	515 000	-412 387	102 613
Year end result	-	957 448	957 448
Equity 31.12.	<u>515 000</u>	<u>545 061</u>	<u>1 060 061</u>

### 5. Group transactions

Steem1960 Shipbrokers AS in Oslo is the 100 % owning mother company.

All start-up cost has been financed by the mother company.

All transactions between the companies in the group, Oslo, Singapore and Houston, are according to the group Transfer-pricing document.

	2023 Oslo	2023 Singapore
Balance January 1st	-1 747 197	-
Trade transactions	125 198	-
Non-trade transactions	<u>418 759</u>	-
Intercompany accounts	<u>-1 203 240</u>	-