

List of Signatures

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GCC ASA 2021 consolidated financial statements.pdf

Name	Method	Signed at
Rødsæther, Christine	BANKID	2022-04-27 19:18 GMT+02
Nikolaus H. Schües	One-Time-Password	2022-04-27 18:59 GMT+02
Gaby Bornheim	One-Time-Password	2022-04-27 18:34 GMT+02
Myklebust, Ivar Hansson	BANKID	2022-04-27 18:33 GMT+02
Alasdair Locke	One-Time-Password	2022-04-27 18:33 GMT+02
Gram, Nils Kristoffer	BANKID	2022-04-27 20:45 GMT+02
Clivia Breuel	One-Time-Password	2022-04-27 19:52 GMT+02



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Gram Car Carriers ASA

2021 Financial Statements



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Board of Directors' Report

Gram Car Carriers ASA ('the Company') was incorporated on 3 August 2021 as a public limited liability company with a share capital of NOK 1 million (USD 113,000). The Company's offices are located at Bryggegata 9, 0250 Oslo, Norway, where majority of the Companies activities are carried out. As of 31 December 2021, the Company was an intermediate holding Company under Gram Car Carriers Holdings Pte. Ltd. During the financial year, the Company acquired Gram Car Carriers Management AS ('GCCM') from Gram Car Carriers Holdings Pte. Ltd. and incorporated four subsidiaries (together with the Company referred to as the 'Group').

The acquisition of Gram Car Carriers Management AS was settled by issuance of new shares to the parent company (equity in kind). The transaction is for accounting purposes considered as a reverse acquisition with GCCM being identified as the acquirer for accounting purposes, which implies that the carrying values of assets and liabilities in the GCCM will be recognised by the Group (continuity). GCCM has been consolidated into the Group with effect from 1 January 2020.

As of 31 December 2021, the activities in GCCM represents materially all activities of the Group. GCCM's main activity comprise of services related to technical oversight and commercial management of PCTC vessels rendered to related companies and third-party vessel owners.

The Group has been set up in connection with the reorganisation of Gram Car Carriers Holdings Pte. Ltd, whereby all assets and activities of Gram Car Carriers Holdings Pte. Ltd. and its subsidiaries (together referred to as the 'Old Group') would be transferred to the Group following a successful private placement planned to be completed in 2022.

The Group recorded a USD 281,000 profit for the financial year ended 31 December 2021. As at 31 December 2021 total assets were USD 5,517,000, comprising mainly of cash, receivables from related companies and expenses incurred in connection with the private placement and eligible for capitalisation. Total equity was USD 766,000.

In January 2022, a private placement was completed, whereby the Company raised new equity amounting to USD 173 million and completed the acquisition of Old Group's assets and activities. The acquisition was partly financed with a new credit facility and lease amounting to USD 292 million combined, and all debts of the Old Group were satisfied in full. Following this, the Group has a healthy balance sheet with a book equity ratio of 39% as at 31 March 2022. The Board of Directors confirms that the going concern assumption under which the financial statements have been prepared, is appropriate. This assumption is based on cash flow projections for 2022 and longer-term strategic forecasts.

As at 31 December 2021 the Group had 10 employees, of which 2 were women and 8 men. The Company's board of directors comprise of 3 women and 4 men as at the date of this report.

The Group is working actively, determined and systematically to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, language, religion and faith, as reflected in the Group's Code of Conduct.

The working environment is considered to be good, and efforts for improvements are made on an on-going basis through town hall meetings and employee development review and feedback sessions. No incidences



or reports of work-related accidents resulting in significant material damage or personal injury occurred during the year.

The activities of the Group during 2021 do not significantly impact the environment, but the Group seeks to minimise any negative impact it may have on the environment.

The company has in place a directors and officers' liability insurance with a limit of liability at NOK 200 million in aggregate for each policy period, and also a public offering of securities insurance with a limit of liability at NOK 150 million in aggregate for each policy period.

Oslo, 27 April 2022

The Board and Chief Executive Officer of Gram Car Carriers ASA

Ivar Hansson Myklebust
Chair

Hans Nikolaus Schües
Deputy Chair

Alasdair James Dougall Locke

Christine Rødsæther

Nils Kristoffer Gram

Gaby Bornheim

Clivia Catharina Breuel

Georg Alexander Whist
Chief Executive Officer



Consolidated financial statements

Consolidated income statement

In USD thousands	Notes	2021	2020
Operating revenue	5/19	4,367	2,216
Other income	6	1,930	-
Administrative expenses	7	(5,199)	(2,710)
EBITDA		1,098	(495)
Depreciation	8/9	(238)	(238)
Amortisation	10	(389)	(102)
EBIT		470	(834)
Financial income		27	320
Financial expenses		(216)	(252)
Profit/ (loss) before tax (EBT)		281	(766)
Tax expense	17	-	-
Profit/ (loss) for the period		281	(766)

Consolidated statement of comprehensive income

In USD thousands	Notes	2021	2020
Profit/ (loss) for the period		281	(766)
Exchange differences on translation of foreign operations		44	(107)
Total comprehensive income		325	(873)



Consolidated statement of financial position

In USD thousands	Notes	31 Dec 2021	31 Dec 2020	01 Jan 2020 (IFRS) ¹
Assets		5,517	1,778	1,886
Non-current assets		514	1,126	1,464
Equipment	8	20	7	7
Right-of-use assets	9	334	571	807
Contract to commission	10	-	389	491
Investments	11	159	159	159
Current assets		5,003	652	422
Trade and other receivables	12	2,047	207	25
Cash and cash equivalents	13	1,330	270	229
Other current assets	14	1,626	174	169
Equity and liabilities		5,517	1,778	1,886
Equity		766	(672)	201
Share capital	15	125	113	113
Share premium		6,670	-	-
Retained earnings/ (accumulated losses)		(383)	(664)	102
Other equity		(5,646)	(121)	(14)
Non-Current liabilities		111	365	598
Lease liability		111	365	598
Current liabilities		4,639	2,084	1,087
Lease liability		254	236	223
Trade and other payables	16	4,386	1,848	865

¹ Reference is made to note 21 - First-time adoption of IFRS

Oslo, 27 April 2022

The Board and Chief Executive Officer of Gram Car Carriers ASA

Ivar Hansson Myklebust
Chair

Hans Nikolaus Schües
Deputy Chair

Alasdair James Dougall Locke

Christine Rødsæther

Nils Kristoffer Gram

Gaby Bornheim

Clivia Catharina Breuel

Georg Alexander Whist
Chief Executive Officer



Consolidated statement of changes in equity

In USD thousands	Share capital	Share premium	Retained earnings/ (acc. losses)	Other equity	Total
Equity at 1 Jan 2021	113	-	(664)	(121)	(672)
Issuance of shares – acquisition of Gram Car Carriers Management	12	6,670	-	(5,569)	1,113
Total comprehensive income	-	-	281	44	325
Equity at 31 Dec 2021	125	6,670	(383)	(5,646)	766
Equity at 1 Jan 2020	113	-	102	(14)	201
Total comprehensive loss	-	-	(766)	(107)	(873)
Equity at 31 Dec 2020	113	-	(664)	(121)	(672)

Gram Car Carriers ASA was incorporated on 3 August 2021. Financial statements are prepared on continuity basis and as such subsidiaries are consolidated with effect from 1 January 2020 or the point at which they were incorporated, ref note 1.



Consolidated statement of cash flows

In USD thousands	Note	2021	2020
Profit/ (loss) for the period		281	(766)
Depreciation	8/9	238	238
Amortisation	10	389	102
Cash flow from operating activities before changes in working capital		908	(426)
Changes in working capital:			
Trade and other receivables		(1,839)	(187)
Other current assets		(1,452)	-
Trade and other payables		2,536	984
Cash flow from operating activities		153	371
Investment in equipment	8	(15)	(2)
Cash flow from investing activities		(15)	(2)
Proceeds from share issuance		1,113	-
Repayment of lease liability		(236)	(219)
Other financial items		44	(107)
Cash flow from financing activities		921	(326)
Net change in cash and cash equivalents		1,059	41
Cash and cash equivalents at beginning of period		270	229
Cash and cash equivalents at end of period	13	1,330	270



Notes to the condensed interim consolidated financial statements

Note 1 – General information

Gram Car Carriers ASA (the 'Company') is a public limited liability company (Norwegian: allmennaksjeselskap) incorporated and domiciled in Norway, with registered address at Bryggegata 9, 0250 Oslo, Norway and Norwegian enterprise number 827 669 962. The Company was incorporated on 3 August 2021. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group'). The principal activities of the Group is to invest in and to operate assets in the pure car and truck carrier ('PCTC') shipping segment.

As of 31 December 2021 the Company is a wholly owned subsidiary of Gram Car Carriers Holdings Pte. Ltd., a Company incorporated and domiciled in Singapore.

On 12 October 2021 the Company acquired a related company, Gram Car Carriers Management AS ('GCCM'), from its parent company. The transaction was settled by issuance of new shares to the parent company (equity in kind). The transaction is for accounting purposes considered as a reverse acquisition with GCCM being identified as the acquirer for accounting purposes, which implies that the carrying values of assets and liabilities in the GCCM will be recognised by the Group (with GCCM figures as comparable figures for 2020).

Note 2 – Basis for preparation

The financial statements of for the Group are prepared in accordance with International Financial Reporting Standards ('IFRS'), as adopted by the European Union. These are the first financial statements prepared in accordance with IFRS, and IFRS 1 First-time adoption of IFRS has been applied. Reference is made to note 21 for the effects of the transition to IFRS. The date of transition was 1 January 2021.

The financial statements are based on historical cost except as disclosed in the accounting policies below.

Subsidiaries are generally consolidated from the date of acquisition, being the date on which the Group obtains control, and consolidation is continued until the date when such control ceases. The consolidation of GCCM as described in note 1 is an exception. The financial statements of the subsidiaries are prepared for the same accounting period as the Company, using consistent accounting principles for similar transactions and events under otherwise similar circumstances.

All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated.

The financial statements are presented in US Dollar (USD), which is the functional currency of the Company and the Group. Amounts are rounded to the nearest thousand, unless otherwise stated.

The consolidated financial statements are prepared based on the assumption of going concern.

Only standards and interpretations that are applicable to the Group have been included and the Group reviews the impact of these changes in its financial statements. The Group will adopt the relevant new and amended standards and interpretations when they become effective, subject to EU approval before the consolidated financial statements are issued.



Note 3 – Significant accounting policies*Revenue recognition*

Revenues are recognised in accordance with IFRS 15 in the accounting period in which services are rendered.

Operating expenses

Operating expenses are accounted for on an accrual basis. Expenses are charged to the income statement, except for those incurred in the acquisition of an investment which are capitalised as part of the cost of the investment. Expenses arising on the disposal of investments are deducted from the disposal proceeds.

Financial income and expenses

Interest income and expense is recognised as accrued and is presented under the financial income or expense in the income statement.

Foreign currency transactions

Transactions in foreign currencies are recorded in the functional currency rate at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the functional currency rate prevailing at the balance sheet date. Exchange differences arising from translations into functional currency are recorded in the income statement. Non-monetary assets and liabilities measured at historical cost in foreign currency are translated into the functional currency using the historical exchange rate. Non-monetary assets and liabilities recognised at fair value are translated using the exchange rate on the date of the determination of the fair value.

For subsidiaries with functional currencies other than USD, financial position items are translated at the rate of exchange at the balance sheet date, and income statements are translated at the exchange rate prevailing at the date of the transaction. Exchange differences arising on the translation are recognized in other comprehensive income as foreign currency differences.

Vessels and other tangible assets

Tangible fixed assets are stated at historical cost, less subsequent depreciation and impairment.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, taking residual values into consideration, and adjusted for impairment charges, if any.

Impairment

Tangible assets are assessed for impairment indicators each reporting period. If impairment indicators are identified, the recoverable amount is estimated, and if the carrying amount exceeds its recoverable amount an impairment loss is recognised, i.e. the asset is written down to its recoverable amount. An asset's recoverable amount is calculated as the higher of the net realisable value and its value in use. The net realisable value is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of sale and the value in use is the present value of estimated future cash flows expected from the continued use of an asset. An impairment loss recognised in prior periods for an asset is reversed if, and 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.

*Leases*Group as lessee (right-of-use assets)

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.



The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Trade and other receivables

Trade and other receivables are measured at transaction price upon initial recognition and subsequently measured at amortized cost less expected credit losses.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits and other highly liquid investments with original maturities of three months or less.

Share issuance

Share issuance costs related to a share issuance transaction are recognised directly in equity. If share issuance costs, for tax purposes, can be deducted from other taxable income in the same period as they are incurred, the costs are recognised net after tax.

Dividends

Dividends are recognised as a liability in the Group's financial statements from the date when the dividend is approved by the General Meeting.

Financial liabilities

All loans and borrowings are initially measured at fair value less directly attributable transaction costs, and are subsequently measured at amortized cost, using the effective interest method. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is more likely than not that an outflow of resources representing economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Fair value measurement

Derivative financial instruments are measured at fair value. The fair value of financial instruments traded in active markets is determined by reference to quoted market prices or dealer price quotations, without any deduction for transaction costs. The fair value of financial instruments not traded in active markets is determined using appropriate evaluation techniques.

Taxes

The Company is subject to ordinary Norwegian taxation. Tax expense comprises tax payable and deferred tax expense. Tax payable is measured at the amount expected to be paid to authorities while deferred tax assets/liabilities are calculated based on temporary differences at the reporting date. Deferred tax assets are recognised to the extent that it is probable that they can be utilized in the future. Deferred tax liabilities/deferred tax assets within the same tax system that can be offset are recorded on a net basis.



Income tax relating to items recognised directly in equity is included directly in equity and not in the statement of income.

Related parties

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the party in making financial and operating decisions. Parties are also related if they are subject to common control or common significant influence. Related party transactions are recorded to estimated fair value.

Employee benefits

The Group is required to provide a pension plan towards its employees, and the Group has implemented a defined contribution plan. The plan complies with the requirements in the Mandatory Occupational Pension act in Norway ("Lov om obligatorisk tjenestepensjon"). A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate legal entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments are available.

Classification in the statement of financial position

Current assets and short-term liabilities include items due less than one year from the balance sheet date, as well as items due more than one year from the balance sheet date, that are related to the operating cycle.

Liabilities with maturity less than one year from the balance sheet date are classified as current. All other debt is classified as long-term debt. Long-term debt due for repayment within one year from the balance sheet date is classified as current.

Statement of cash flows

The statement of cash flows has been prepared based on the indirect method.

Subsequent events

New information on the Group's financial position at the balance sheet date is taken into account in the financial statements. Subsequent events that do not affect the Group's position at the balance sheet date, but which will affect the Group's position in the future, are disclosed if significant.

Note 4 - Critical accounting judgements and key sources of estimation uncertainty

The preparation of consolidated financial statements for the Group and application of the accounting policies, which are described in Note 3, requires judgements, estimates and assumptions to be made about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual outcomes may differ from these estimates and assumptions and could require a material adjustment to the carrying amount of the asset or liability affected in future periods. Estimates and underlying assumptions are reviewed on an on-going basis.

Judgements, assumptions and estimation uncertainties

Management is of the opinion that any instances of application of judgement, assumptions and estimates are not expected to have a significant effect on the amounts recognised in the financial statements.



Note 5 – Operating revenue

In USD thousands	2021	2020
Management fees	2,955	1,612
TC hire commissions	1,412	604
Total	4,367	2,216

Note 6 – Other income

Other income of USD 1,930,000 in 2021 relate to an equity distribution from the Norwegian Shipowners' Mutual War Risk Insurance Association, representing the gross distribution before deduction of USD 507,000 of withholding tax which has been recognised as a tax receivable (see note 12).

Note 7 – Administrative expenses

In USD thousands	2021	2020
Personnel expenses	4,247	2,479
Legal fees	512	15
Audit fees	18	4
Other professional fees	191	19
Other administrative expenses	231	194
Total	5,199	2,710

At 31 December 2021 the Group had 10 employees.

The Group has defined contribution plans for all employees in accordance with mandatory occupational pension requirements.

Personnel expenses comprise of the following:

In USD thousands	2021	2020
Salaries	1,571	1,702
Payroll taxes	238	229
Bonuses	2,265	427
Pensions	82	85
Other personnel expenses	91	36
Total	4,247	2,479

Bonuses include provisions contingent on the successful completion of the private placement and listing on Euronext Growth.

Remuneration to management during 2021:

In USD thousands	Salary	Bonus	Pension	Other benefits	Total
Chief Executive Officer	418	237	11	2	668

Remuneration to management during 2020:

In USD thousands	Salary	Bonus	Pension	Other benefits	Total
Chief Executive Officer	382	127	10	1	520

No remuneration was paid to the directors of the Company during 2021.



Note 8 – Equipment

The Group owns computer equipment with useful life of 5 years.

In USD thousands	2021	2020
Acquisition cost at 1 January	12	9
Additions	15	2
Acquisition cost 31 December	27	12
Accumulated depreciation at 1 January	(4)	(2)
Depreciation for the period	(2)	(2)
Accumulated depreciation at 31 December	(7)	(4)
Carrying amount at 31 December	20	7

Note 9 – Right-of-use assets

The Group leases office premises at two locations. Lease term is 2 and 5 years.

In USD thousands	2021	2020
Acquisition cost at 1 January	1,043	1,043
Acquisition cost 31 December	1,043	1,043
Accumulated depreciation at 1 January	(472)	(236)
Depreciation for the period	(236)	(236)
Accumulated depreciation at 31 December	(708)	(472)
Carrying amount at 31 December	334	571

Total lease liabilities associated with the leases amount to USD 365,000, of which USD 254,000 is due within one year from the balance sheet date.

Note 10 – Contract to commission

During 2019 the Group had acquired the rights to a 1% commission on time charter hire revenue related to four vessels owned by related companies. During 2021 the remaining carrying amount of these rights had been fully written down.

Note 11 – Investments

Investments with carrying amount of USD 159,000 relate to a 1% interest in Gram Car AS, a company that owns and operates 2 PCTC vessels which are under commercial management by the Group.

Note 12 – Trade and other receivables

In USD thousands	31 Dec 2021	31 Dec 2020
Trade receivables	1	21
Tax receivables	507	-
Other receivables – parent company	1,540	186
Total	2,047	207

Other receivables – parent company includes management fees and redeemable convertible loan (RCL) units with a notional value of USD 186,000 issued by the Company's sole shareholder Gram Car Carriers Holdings Pte. Ltd.



Note 13 – Cash and cash equivalents

Details of the Company's cash and cash equivalents are as follows:

In USD thousands	30 Dec 2021	31 Dec 2020
Bank deposits (USD)	1,200	-
Bank deposits (NOK)	41	178
Bank deposits (NOK) – Restricted (employee withholding tax account)	89	92
Total	1,330	270

Bank deposits earn interest on floating basis.

Note 14 – Other current assets

In USD thousands	31 Dec 2021	31 Dec 2020
Deposits	169	174
Other current assets	1,458	-
Total	1,626	174

Other current assets include transaction fees of USD 1,458,000 incurred in connection with the private placement and listing of the Company on the Euronext Growth completed in January 2022 and are eligible for capitalisation. These expenses will be recognised under other equity in 2022 following the completion of the private placement and listing.

Note 15 – Share capital

In USD thousands	No. of shares	Share capital	Share premium
At incorporation 3 August 2021	1,000,000	113	-
Share capital increase 20 October 2021 (change of par value)	-	12	6,670
Share split	9,000,000	-	-
At 31 December 2021	10,000,000	125	6,670

On 12 October 2021, the Board of Directors and EGM of the Company resolved to increase the share capital in connection with the transfer of the shares in Gram Car Carriers Management AS from Gram Car Carriers Holdings Pte. Ltd. to the Company. The share capital was increased by NOK 100,000 through an increase of the par value of each of the Companies shares from NOK 1.00 to NOK 1.10. The total subscription price was NOK 57,020,000 of which 56,920,00 was share premium.

On 12 October 2021, the Board of Directors and EGM of the Company resolved to carry out a split of the Company's shares in the ratio 1:10, where the nominal value was reduced from NOK 1.00 to NOK 0.10. The number of shares was increased from 1,000,000 to 10,000,000 following the split.

As at 31 December 2021, the share capital of the Company consists of 10,000,000 shares, with par value of NOK 0.10 per share.

All shares are owned by Gram Car Carriers Holdings Pte. Ltd at 31 December 2021.



Note 16 – Trade and other payables

In USD thousands	31 Dec 2021	31 Dec 2020
Trade payables	29	-
Other payables	323	355
Other payables – parent company	-	700
Accrued expenses	4,033	793
Total	4,386	1,848

Accrued expenses include transaction costs contingent on the successful completion of the private placement and listing on Euronext Growth.

Note 17 – Income tax

In USD thousands	2021	2020
Profit/ (loss) before tax (EBT)	281	(766)
Tax at ordinary Norwegian tax rate (22%)	-	-
Total	-	-

The Group has a tax loss carried forward amounting to USD 1,816,000 in Norway at 31 December 2021. Utilisation of the tax loss will depend on future taxable income and in the absence of convincing evidence of such income materialising the criteria for recognising the tax loss carried forward as a deferred tax asset has not been met.

Note 18 – Group companies

The Group consolidated financial statements include the financial statements of the Company and its subsidiaries as listed in the table below.

Name of company	Principal Activities	Place of business/ incorporation	Ownership
Gram Car Carriers Shipowning AS	Shipowning	Norway	100%
Gram Car Carriers Leasing 1 AS	Shipowning	Norway	100%
Gram Car Carriers Leasing 2 AS	Shipowning	Norway	100%
Gram Car Carriers Leasing 3 AS	Shipowning	Norway	100%
Gram Car Carriers Management AS	Management company	Norway	100%
Gram Car Carriers Services Pte. Ltd.	Management company	Singapore	100%

Note 19 – Related party transactions

A subsidiary of the Group, Gram Car Carriers Management AS, is party to agreements under which it renders services related to commercial and technical management to related companies. Transactions under these agreements have been summarised in the table below:

In USD thousands	Type of transaction	2021	2020
Gram Car Carriers Holdings Pte. Ltd.	Management fees/ TC hire commissions	1,631	107
GCC (CUE) Shipowning Pte. Ltd.	Management fees/ TC hire commissions	1,407	1,330
Global Adventure Pte. Ltd.	Management fees/ TC hire commissions	111	78
Global Bravery Pte. Ltd.	Management fees/ TC hire commissions	115	103
Global Conquest Pte. Ltd.	Management fees/ TC hire commissions	515	70
Global Car Carriers IV Ltd	Management fees/ TC hire commissions	113	103
Total		3,892	1,791

All transactions with related parties are carried out on an arm's length basis.



Note 20 – Events after the balance sheet date

The Company was a wholly owned subsidiary of Gram Car Carriers Holding Pte. Ltd. until January 2022, when a series of linked transactions were completed as described below and at which point the Company ceased to be a subsidiary of Gram Car Carriers Holding Pte. Ltd.:

- i. The acquisition by the Group of all activities of Gram Car Carriers Holdings Pte. Ltd. and its subsidiaries ('Old Group');
- ii. The acquisition of two PCTC vessels from a third party, settled with a combination of cash and shares;
- iii. The injection of USD 173.3 million in new equity, of which USD 71.3 million in cash and USD 102.0 million as contribution in kind. The latter comprise USD 57.7 million contribution in kind from shareholders of Gram Car Carriers Holdings Pte. Ltd. and non-controlling interests in its subsidiaries and the remaining USD 44.3 million representing part consideration for the two PCTC vessels acquired from a third party and settled by issuing shares (contribution in kind); and
- iv. New debt raised to settle Old Group's existing debt and partial financing of the two additional PCTC vessels acquired.

This series of linked transactions is for accounting purposes considered as a restructuring and refinancing of the Old Group, together with an issue of new shares (capital increase). This implies that the carrying values of assets and liabilities in the Old Group will be recognised in the Group in Q1 2022 (with Old Group figures as comparable figures for 2021).

The financial statement for the group going forward will materially be a continuation of the Old Group. The figures below represent the key figures from the financial statements of the Old Group as of 31 December 2021 (unaudited), which will be the comparable figures for 2021 in the Group's 2022 financial statements after completion of the transactions as described above.

In USD thousands	2021 (unaudited)
Operating revenue	78,029
EBITDA	35,388
Operating result (EBIT)	10,596
Profit/ (loss) before tax (EBT)	(7,466)
Profit/ (loss) for the period	(7,472)

In USD thousands	31 Dec 2021 (unaudited)
Assets	494,683
Non-current assets	474,635
Current assets	20,049
Equity and liabilities	494,683
Equity	79,239
Non-current liabilities	121,397
Current liabilities	294,048

Note 21 – First-time adoption of IFRS

The consolidated financial statements for the year ended 31 December 2021 are the first financial statements the Group has prepared in accordance with IFRS. Comparable figures for periods up to and including the year ended 31 December 2021 (ref note 1 and 2) were prepared in accordance with Norwegian Generally Accepted Accounting Principles ('NGAAP').

Accordingly, the Group has prepared financial statements that comply with IFRS, applicable as of 31 December 2021, together with the comparative period figures for the year ended 31 December 2020. In preparing the financial statements, the Group's opening statement of financial position was prepared as of 1 January 2020, the Group's date of transition to IFRS. This note explains the principal adjustments made by the Group in restating its NGAAP financial statements, including the statement of financial position as of 1 January 2020 and the income statement for the year ended 31 December 2020.



Statement of financial position at 1 January 2020

In USD thousands	NGAAP	Adjustments	IFRS
Assets	1,079	807	1,886
Non-current assets	657	807	1,464
Equipment	7	-	7
Right-of-use assets	-	807	807
Contract to commission	491	-	491
Investments	159	-	159
Current assets	422	-	422
Trade and other receivables	25	-	25
Cash and cash equivalents	229	-	229
Other current assets	169	-	169
Equity and liabilities	1,079	(807)	1,886
Equity	214	(13)	201
Share capital	113	-	113
Share premium	-	-	-
Retained earnings/ (accumulated losses)	115	(13)	102
Other equity	(14)	-	(14)
Non-Current liabilities	-	598	598
Lease liability	-	598	598
Current liabilities	865	223	1,087
Lease liability	-	223	223
Trade and other payables	865	-	865



Statement of financial position at 31 Dec 2020

In USD thousands	NGAAP	Adjustments	IFRS
Assets	1,207	571	1,778
Non-current assets	556	571	1,126
Equipment	7	-	7
Right-of-use assets	-	571	571
Contract to commission	389	-	389
Investments	159	-	159
Current assets	652	-	652
Trade and other receivables	207	-	207
Cash and cash equivalents	270	-	270
Other current assets	174	-	174
Equity and liabilities	1,207	571	1,778
Equity	(642)	30	(612)
Share capital	113	-	113
Share premium	-	-	-
Retained earnings/ (accumulated losses)	(634)	(30)	(664)
Other equity	(121)	-	(121)
Non-Current liabilities	-	365	365
Lease liability	-	365	365
Current liabilities	1,848	236	2,084
Lease liability	-	236	236
Trade and other payables	1,848	-	1,848

Reconciliation of total comprehensive income for the year ended 31 December 2021

In USD thousands	NGAAP	Adjustments	IFRS
Operating revenue	2,216	-	2,216
Other income	-	-	-
Administrative expenses	(2,990)	280	(2,710)
EBITDA	(774)	280	(494)
Depreciation	(2)	(236)	(238)
Amortisation	(102)	-	(102)
EBIT	(878)	44	(834)
Financial income	320	-	320
Financial expenses	(191)	(61)	(252)
Profit/ (loss) before tax (EBT)	(749)	(17)	(766)
Tax expense	-	-	-
Profit/ (loss) for the period	(749)	(17)	(766)
Exchange differences on translation of foreign operations	(107)	-	(107)
Total comprehensive income	(856)	(17)	(873)



Gram Car Carriers ASA (parent company)

financial statements

Statement of comprehensive income

In USD thousands	Notes	3 Aug (date of incorporation) – 31 Dec 2021
Administrative expenses	5	(608)
Loss before tax (EBT)		(608)
Tax expense	6	-
Loss for the period		(608)



Statement of financial position

In USD thousands	Notes	31 Dec 2021
Assets		2,118
Non-current assets		1,026
Investment in subsidiaries	7	1,026
Current assets		1,092
Cash and cash equivalents	8	5
Other current assets	9	1,087
Equity and liabilities		2,118
Equity		517
Share capital	10	125
Share premium	10	6,670
Accumulated losses		(608)
Other equity		(5,670)
Current liabilities		1,601
Trade and other payables	11	1,601

Oslo, 27 April 2022

The Board and Chief Executive Officer of Gram Car Carriers ASA

Ivar Hansson Myklebust
Chair

Hans Nikolaus Schües
Deputy Chair

Alasdair James Dougall Locke

Christine Rødsæther

Nils Kristoffer Gram

Gaby Bornheim

Clivia Catharina Breuel

Georg Alexander Whist
Chief Executive Officer



Statement of changes in equity

In USD thousands	Share capital	Share premium	Accumulated losses	Other equity	Total
At incorporation 03 Aug 2021	113	-	-	-	113
Acquisition Gram Car Carriers Management AS	12	6,670	-	(5,670)	1,012
Loss for the period	-	-	(608)	-	(608)
30 Dec 2021	125	6,670	(608)	(5,670)	517

Statement of cash flows

In USD thousands	Note	3 Aug (date of incorporation) – 31 Dec 2021
Loss for the period		(608)
Net change in current assets		(1,087)
Net change in current liabilities		1,601
Cash flow from operating activities		(94)
Investment in subsidiaries		(14)
Cash flow from investing activities		(14)
Proceeds from share issuance		113
Cash flow from financing activities		113
Net change in cash and cash equivalents		5
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period		5



Notes to the condensed interim consolidated financial statements

Note 1 – General information

Gram Car Carriers ASA (the 'Company') is a public limited liability company (Norwegian: allmennaksjeselskap) incorporated and domiciled in Norway, with registered address at Bryggegata 9, 0250 Oslo, Norway. The Company was incorporated on 3 August 2021. The principal activities of the Company is to invest in maritime assets in the pure car and truck carrier shipping ('PCTC') segment through its subsidiaries.

The Company has no employees as at 31 December 2021.

Note 2 – Basis for preparation

The financial statements of for the Company are prepared in accordance with International Financial Reporting Standards ('IFRS'), as adopted by the European Union.

The financial statements are based on historical cost except as disclosed in the accounting policies below.

The financial statements are presented in US Dollar (USD), which is the functional currency of the Company and the Group. Amounts are rounded to the nearest thousand, unless otherwise stated.

The consolidated financial statements are prepared based on the assumption of going concern.

Only standards and interpretations that are applicable to the Group have been included and the Group reviews the impact of these changes in its financial statements. The Group will adopt the relevant new and amended standards and interpretations when they become effective, subject to EU approval before the consolidated financial statements are issued.

Note 3 – Significant accounting policies

Operating expenses

Operating expenses are accounted for on an accrual basis. Expenses are charged to the income statement, except for those incurred in the acquisition of an investment which are capitalised as part of the cost of the investment. Expenses arising on the disposal of investments are deducted from the disposal proceeds.

Financial income and expenses

Interest income and expense is recognised as accrued and is presented under the financial income or expense in the income statement.

Foreign currency transactions

Transactions in foreign currencies are recorded in the functional currency rate at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the functional currency rate prevailing at the balance sheet date. Exchange differences arising from translations into functional currency are recorded in the income statement. Non-monetary assets and liabilities measured at historical cost in foreign currency are translated into the functional currency using the historical exchange rate. Non-monetary assets and liabilities recognised at fair value are translated using the exchange rate on the date of the determination of the fair value.

Investment in subsidiaries

Investments in subsidiaries are recorded at acquired cost. These investments are reviewed for impairment when there are indicators that carrying amount may not be recoverable.



Share issuance

Share issuance costs related to a share issuance transaction are recognised directly in equity. If share issuance costs, for tax purposes, can be deducted from other taxable income in the same period as they are incurred, the costs are recognised net after tax.

Dividends

Dividends are recognised as a liability in the Group's financial statements from the date when the dividend is approved by the General Meeting.

Financial liabilities

All loans and borrowings are initially measured at fair value less directly attributable transaction costs, and are subsequently measured at amortized cost, using the effective interest method. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, when it is more likely than not that an outflow of resources representing economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Fair value measurement

Derivative financial instruments are measured at fair value. The fair value of financial instruments traded in active markets is determined by reference to quoted market prices or dealer price quotations, without any deduction for transaction costs. The fair value of financial instruments not traded in active markets is determined using appropriate evaluation techniques.

Taxes

The Company is subject to ordinary Norwegian taxation. Tax expense comprises tax payable and deferred tax expense. Tax payable is measured at the amount expected to be paid to authorities while deferred tax assets/liabilities are calculated based on temporary differences at the reporting date. Deferred tax assets are recognised to the extent that it is probable that they can be utilized in the future. Deferred tax liabilities/deferred tax assets within the same tax system that can be offset are recorded on a net basis. Income tax relating to items recognised directly in equity is included directly in equity and not in the statement of income.

Related parties

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the party in making financial and operating decisions. Parties are also related if they are subject to common control or common significant influence. Related party transactions are recorded to estimated fair value.

Classification in the statement of financial position

Current assets and short-term liabilities include items due less than one year from the balance sheet date, as well as items due more than one year from the balance sheet date, that are related to the operating cycle.

Liabilities with maturity less than one year from the balance sheet date are classified as current. All other debt is classified as long-term debt. Long-term debt due for repayment within one year from the balance sheet date is classified as current.

Statement of cash flows

The statement of cash flows has been prepared based on the indirect method.



Subsequent events

New information on the Group's financial position at the balance sheet date is taken into account in the financial statements. Subsequent events that do not affect the Group's position at the balance sheet date, but which will affect the Group's position in the future, are disclosed if significant.

Note 4 – Critical accounting judgements and key sources of estimation uncertainty

The preparation of consolidated financial statements for the Group and application of the accounting policies, which are described in Note 3, requires judgements, estimates and assumptions to be made about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual outcomes may differ from these estimates and assumptions and could require a material adjustment to the carrying amount of the asset or liability affected in future periods. Estimates and underlying assumptions are reviewed on an on-going basis.

Judgements, assumptions and estimation uncertainties

Management is of the opinion that any instances of application of judgement, assumptions and estimates are not expected to have a significant effect on the amounts recognised in the financial statements.

Note 5 – Administrative expenses

In USD thousands	3 Aug (date of incorporation) – 31 Dec 2021
Legal fees	409
Audit fees	13
Other professional fees	162
Other administrative expenses	24
Total	608

Note 6 – Income tax

In USD thousands	3 Aug (date of incorporation) – 31 Dec 2021
Loss before tax (EBT)	(608)
Tax at ordinary Norwegian tax rate (22%)	-

The Company is subject to ordinary corporation tax in Norway.

Note 7 – Investments in subsidiaries

Name of company	Principal Activities	Place of business/ incorporation	Ownership
Gram Car Carriers Shipowning AS	Shipowning	Norway	100%
Gram Car Carriers Leasing 1 AS	Shipowning	Norway	100%
Gram Car Carriers Leasing 2 AS	Shipowning	Norway	100%
Gram Car Carriers Leasing 3 AS	Shipowning	Norway	100%
Gram Car Carriers Management AS	Management company	Norway	100%



Note 8 – Cash and cash equivalents

Details of the Company's cash and cash equivalents at 31 December 2021 are as follows:

In USD thousands	31 Dec 2021
Bank deposits (NOK)	5

All cash and cash equivalents are unrestricted.

Note 9 – Other current assets

In USD thousands	31 Dec 2021
Transactions costs	1,087

The Company had as at 31 December 2021 incurred transaction costs related to the private placement carried out in January 2022 amounting to USD 1,628 of which USD 1,087 are eligible for capitalisation against other equity in connection with the completion of the private placement.

Note 10 – Share capital

In USD thousands	No. of shares	Share capital	Share premium
At incorporation 3 August 2021	1,000,000	113	
Share capital increase 20 October 2021 (change of par value)	-	12	6,670
Share split	9,000,000	-	-
At 31 December 2021	10,000,000	125	6,670

On 12 October 2021, the Board of Directors and EGM of the Company resolved to increase the share capital in connection with the transfer of the shares in Gram Car Carriers Management AS from Gram Car Carriers Holdings Pte. Ltd. to the Company. The share capital was increased by NOK 100,000 through an increase of the par value of each of the Companies shares from NOK 1.00 to NOK 1.10. The total subscription price was NOK 57,020,000 of which 56,920,00 was share premium.

On 12 October 2021, the Board of Directors and EGM of the Company resolved to carry out a split of the Company's shares in the ratio 1:10, where the nominal value was reduced from NOK 1.00 to NOK 0.11. The number of shares was increased from 1,000,000 to 10,000,000 following the split.

As at 31 December 2021, the share capital of the Company consists of 10,000,000 shares, with par value of NOK 0.11 per share.

All shares are owned by Gram Car Carriers Holdings Pte. Ltd at 31 December 2021.

Note 11 – Trade and other payables

In USD	31 Dec 2021
Accrued expenses	1,601
Trade and other payables	1,601

Accrued expenses include legal and professional fees.



Note 12 – Events after the balance sheet date

The Company was a wholly owned subsidiary of Gram Car Carriers Holding Pte. Ltd. until January 2022, when a series of linked transactions were completed as described below and at which point the Company ceased to be a subsidiary of Gram Car Carriers Holding Pte. Ltd.:

- i. The acquisition by the Group of all activities of Gram Car Carriers Holdings Pte. Ltd. and its subsidiaries ('Old Group');
- ii. The acquisition of two PCTC vessels from a third party, settled with a combination of cash and shares;
- iii. The injection of USD 173.3 million in new equity, of which USD 71.3 million in cash and USD 102.0 million as contribution in kind. The latter comprise USD 57.7 million contribution in kind from shareholders of Gram Car Carriers Holdings Pte. Ltd. and non-controlling interests in its subsidiaries and the remaining USD 44.3 million representing part consideration for the two PCTC vessels acquired from a third party and settled by issuing shares (contribution in kind); and
- iv. New debt raised to settle Old Group's existing debt and partial financing of the two additional PCTC vessels acquired.

The capital increase referred to above has in all materiality been applied to capitalise the Company's subsidiaries in connection with the subsidiaries acquisition of assets.



Independent Auditor's Report

To the General Meeting in Gram Car Carriers ASA

Opinion

We have audited the financial statements of Gram Car Carriers ASA.

<p>The financial statements comprise:</p> <ul style="list-style-type: none">• The financial statements of the parent company, which comprise the balance sheet as at 31 December 2021, income statement, statement of comprehensive income, statement of changes in equity 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 2021, and income statement, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.	<p>In our opinion:</p> <ul style="list-style-type: none">• 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 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.• The accompanying financial statements give a true and fair view of the financial position of the group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.
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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 laws and regulations and 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 Director's 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

Board of Directors and the Managing Director (management) are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

<https://revisorforeningen.no/revisjonsberetninger>

BDO AS

John Arne Fiskerstrand
State Authorised Public Accountant
(This document is signed electronically)

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