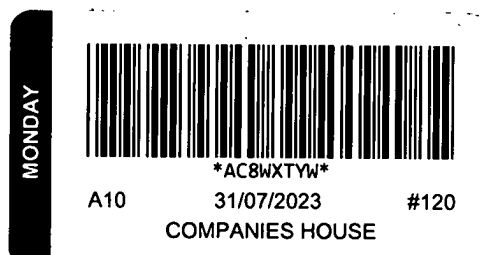


## **Everest Leasing Company Limited**

**Strategic Report, Directors' Report and Financial Statements  
for the year ended 31 December 2022**



**Everest Leasing Company Limited**

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**Directors and advisors**

**Directors**

Simon Harding  
Pierre Jacquemarcq  
Michelle Mahmood

**Independent auditors**

PricewaterhouseCoopers LLP  
7 More London Riverside  
London  
SE1 2RT

**Registered Office**

Broadwalk House  
5 Appold Street  
London EC2A 2DA

**Bankers**

Crédit Agricole CIB  
Broadwalk House  
5 Appold Street  
London EC2A 2DA

Crédit Agricole CIB S.A.  
12, place des Etats-Unis,  
CS 70052,  
92 547 Montrouge Cedex,  
France

## Everest Leasing Company Limited

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### Strategic report for the year ended 31 December 2022

The directors present their strategic report on Everest Leasing Company Limited (the “company”) for the year ended 31 December 2022.

#### **Business Review**

The principal activity of the company is to participate in marine leasing business. The company acts as both lessor and lessee for operating leases in respect of two vessels over a duration of 20 years.

The financial position of the entity at the year-end is set out in the balance sheet on page 10. The directors are satisfied with the financial position of the company at the year end, which is in line with planned activities and business model of the entity.

The directors are aware that the current cost of living crisis is expected to affect an array of economic factors but, due to the nature of the entity, there is no impact. Similarly, the continuing war in Ukraine has been analysed and currently possess no negative impact on the company.

The company made a profit of USD 44,633 (2021 loss: USD 16,873,367).

#### **Principal and financial risks and uncertainties**

As part of the review, the directors have also considered the exposure of the company to a variety of risks and have various policies and procedures so as to mitigate or reduce these risks.

##### *Credit risk*

The most significant credit risk inherent in the company is the timely recovery of lease rentals from the lessee. This is closely monitored by the company as part of management’s credit control procedures.

The Company’s income is derived from the leases and so the ability of the lessee to pay the rentals has been assessed as part of the going concern review.

##### *Interest rate risk*

By entering into the Junior Loan Facility, the Company is exposed to variability in its cashflows arising from the exposure to 3 month LIBOR and 3 month LIBID (“**Interest Rate Risk**”).

The board agreed to transition from USD Libor to SOFR with regard to the rates used for loans and deposits in this entity in June 2023. This change will take effect from 1st July 2023.

To mitigate Interest Rate Risk, the Rentals received by the Company under the Leases are calculated to take into account the cashflows of the Company and ensure that the costs are passed on in full; with the result that on each Quarter Date the Rentals due will exactly meet the cashflows of the Company.

The above Interest Rate Risk policy could only be ineffective where the Rentals are not calculated in accordance with the methodology contained in the Lease agreements.

To date the Interest Rate Risk policy of the Company has proven to be effective as the Rentals have met the cashflows of the Company in full.

##### *Operational risk*

The company is aware that there are many risks of an operational nature both internal and external, which could affect its business. Procedures are in place to identify, monitor and report upon any incidences which may occur. This is a continuous process which receives an appropriate level of management attention.

Everest Leasing Company Limited

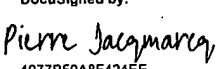
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**Strategic report for the year ended 31 December 2022**

**Key performance indicators**

Given the straight forward nature of the business and the information provided elsewhere in this report, the directors are of the opinion that the production of KPIs is not necessary for an understanding of the development, performance or position of the business.

Approved by the board of directors and signed on behalf of the board by:

DocuSigned by:  
  
4977B50A8F424EE...  
Pierre Jacqmarcq

Director  
14 July 2023

## Everest Leasing Company Limited

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### Directors' report for the year ended 31 December 2022

The directors present their report and audited financial statements for the year ended 31 December 2022.

#### Going concern

For the financial statements, ending 31 December 2022 and in the coming year (2023) special care has been taken to ensure that the potential uncertainty arising due to the cost of living crisis and the continuing war in Ukraine has been taken into consideration. A full analysis has been made of the balance sheet and, to the extent relevant, the mitigating factors taken by the Company.

The lessee group is not headquartered in or near Ukraine or Russia and the leased vessels do not trade in this area. With long term trading contracts attached to the vessels the company should not be directly impacted by the ongoing war in Ukraine.

Following this analysis, the Company is satisfied that there are currently no negative trends emerging from the forecast financial figures and that there is sufficient liquidity necessary to maintain the Company's operations, obligations and any other cash flows.

#### Financial performance

The company made a profit of USD 44,633 (2021 loss: USD 16,873,367).

During the year, no interim dividend was paid (2021: nil). The directors do not recommend the payment of a final dividend (2021: nil).

#### Financial risk management objectives and policies

The principal risks and uncertainties are referred to in the strategic report on page 2.

#### Strategy and future development

No significant change is anticipated to the company's principal business activity.

#### Directors

The directors who were in office during the year and up to the date of signing the financial statements were:

Simon Harding  
Pierre Jacquemarcq  
Michelle Mahmood

#### Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

#### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company, and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

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Everest Leasing Company Limited

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**Directors' report for the year ended 31 December 2022**

**Statement of directors' responsibilities in respect of the financial statements (continued)**

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006

**Directors' confirmations**

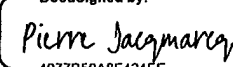
In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Independent auditors**

The company's incumbent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed reappointed in the next financial year.

Approved by the board of directors and signed on behalf of the board by:

DocuSigned by:  
  
4977B50A8F424EE...  
Pierre Jacqmarcq  
Director  
14 July 2023

Everest Leasing Company Limited

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## **Independent auditors' report to the members of Everest Leasing Company Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Everest Leasing Company Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2022; the Profit and loss account, Statement of comprehensive income and Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

## Everest Leasing Company Limited

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### Reporting on other information (continued)

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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### Responsibilities for the financial statements and the audit

#### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' 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 auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and Corporate Tax Legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the potential



## Everest Leasing Company Limited

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### Auditors' responsibilities for the audit of the financial statements (continued)

for management to manipulate lease rental income and expenses. Audit procedures performed by the engagement team included:

- Making enquiries of management and those charged with governance in relation to known or suspected instances of fraud and non-compliance with laws & regulations;
- Recalculating and agreeing the lease rental income and expenses to management's lease schedules; and
- Auditing the risk of management override of controls, including through substantive testing of all material financial statement line items and testing adjustments for appropriateness.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

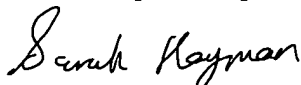
### Other required reporting

#### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Sarah Hayman (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

14 July 2023

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**Everest Leasing Company Limited**


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**Profit and loss account for the year ended 31 December 2022**

	<i>Note</i>	<i>2022 USD</i>	<i>2021 USD</i>
Turnover	5	24,678,425	24,953,228
Cost of sales	6	<u>(25,501,267)</u>	<u>(25,501,267)</u>
<b>Operating loss</b>		<b>(822,842)</b>	<b>(548,039)</b>
 Interest receivable and similar income	8	<u>481,303</u>	<u>11,188</u>
<b>Loss before taxation</b>		<b>(341,539)</b>	<b>(536,851)</b>
 Tax on loss	9	386,172	(16,336,516)
<b>Profit / (Loss) for the financial year</b>		<u><b>44,633</b></u>	<u><b>(16,873,367)</b></u>

**Statement of Comprehensive income for the year ended 31 December 2022**

	<i>2022 USD</i>	<i>2021 USD</i>
<b>Profit / (Loss) for the financial year</b>	<u>44,633</u>	<u>(16,873,367)</u>
 <b>Total comprehensive income/(expense) for the year</b>	<u><b>44,633</b></u>	<u><b>(16,873,367)</b></u>

The income of the company derives from continuing operations.

The notes on pages 12 to 18 form an integral part of the financial statements.

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**Everest Leasing Company Limited**


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**Balance sheet as at 31 December 2022**

	<i>Note</i>	<i>2022 USD</i>	<i>2021 USD</i>
<b><i>Current assets</i></b>			
Debtors: amounts falling due within one year	10	9,498,793	9,462,748
Debtors: amounts falling due after more than one year	10	17,248,965	21,508,133
Investments	11	28,641,629	25,648,540
		<u>55,389,387</u>	<u>56,619,421</u>
Creditors: amounts falling due within one year	12	(237,065)	(173,069)
<b><i>Net current assets</i></b>		<u>55,152,322</u>	<u>56,446,352</u>
<b><i>Total assets less current liabilities</i></b>		<u>55,152,322</u>	<u>56,446,352</u>
<b><i>Non-current liabilities</i></b>	13	(67,155,157)	(68,493,820)
<b><i>Net liabilities</i></b>		<u>(12,002,835)</u>	<u>(12,047,468)</u>
<b><i>Capital and reserves</i></b>			
Called up share capital	16	50,000	50,000
Profit and loss account		(12,052,835)	(12,097,468)
<b><i>Total shareholders' deficit</i></b>		<u>(12,002,835)</u>	<u>(12,047,468)</u>

The financial statements on pages 9 to 18 were approved by the Board of Directors on 14th July 2023 and signed on its behalf by:

DocuSigned by:  
  
 BD73D467626D4E7...  
**Michelle Mahmood**  
 Director  
 14 July 2023

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**Everest Leasing Company Limited**


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**Statement of changes in Equity for the year ended 31 December 2022**

	<i>Called up share capital</i>	<i>Profit and loss account</i>	<i>Total shareholders' deficit</i>
	<i>USD</i>	<i>USD</i>	<i>USD</i>
Balance as at 1 January 2021	50,000	4,775,899	4,825,899
Loss and total comprehensive expense	-	(16,873,367)	(16,873,367)
Balance as at 31 December 2021	50,000	(12,097,468)	(12,047,468)
Balance as at 1 January 2022	50,000	(12,097,468)	(12,047,468)
Profit and total comprehensive income	-	44,633	44,633
Balance as at 31 December 2022	50,000	(12,052,835)	(12,002,835)

Everest Leasing Company Limited

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**Notes to the financial statements for the year ended 31 December 2022**

**1. General Information**

The principal activity of the company is to participate in marine leasing business. The company acts as both lessor and lessee for operating leases in respect of two vessels over a duration of 20 years.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Broadwalk House, 5 Appold Street, London EC2A 2DA.

**2. Statement of compliance**

The individual financial statements of Everest Leasing Company Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

**3. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

**(b) Exemptions for qualifying entities under FRS 102**

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows. This is on the basis that it is a qualifying entity and its ultimate parent company Crédit Agricole S.A., includes the company's cash flows in its own consolidated financial statements.

The company is exempt from disclosing related party transactions under FRS 102 as they are with other companies that are wholly owned within the Crédit Agricole S.A. group. (the "Group")

**(c) Foreign currency**

*Functional and presentation currency*

The company's functional and presentation currency is United States dollar ("USD"). It is also the currency in which the receipts from operating activities are usually retained. All monetary assets and liabilities in currencies, other than USD, are translated into USD at the rate of exchange prevailing at the balance sheet date. All transactions in currencies, other than USD, are translated into USD at the rate of exchange prevailing at the date of transaction.

**(d) Taxation**

**(i) Current tax**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the effective tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**(ii) Deferred tax**

Deferred tax is recognised in respect of differences between the taxation and the accounting attributes of leasing transactions and on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

## Everest Leasing Company Limited

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### Notes to the financial statements for the year ended 31 December 2022

#### 3. Summary of significant accounting policies (continued)

##### (d) Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent the directors consider it is more likely than not that there would be suitable taxable profit from which the future reversal of the underlying timing differences can be deducted.

##### (e) Debtors and impairment

The company has chosen to adopt the sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash at bank balances and investments in commercial paper, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### (f) Revenue recognition

###### (i) Interest Income

Interest income is recognised using the effective interest method. This method applies the effective interest rate to the carrying amount of the loan. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the loan to the carrying amount of the loan.

###### (ii) Lease rental income/expense

The company acts as a lessor and a lessee in marine leasing activities. Rentals received under operating leases are recognised in the profit and loss account on a straight line basis over the lease term. Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

##### (g) Current asset investments - short term deposits

The company carries current investments in short term deposits at amortised cost.

##### (h) Initial direct costs

Initial direct costs that are directly associated with negotiating and consummating leasing transactions such as commissions, arrangement fees, legal fees, costs of preparing and processing documents for new leases acquired are written off immediately to the Profit and Loss account.

Costs associated with arranging loan facilities for the lease such as premiums paid towards obtaining loan guarantees are apportioned over the term of the underlying loan facilities.

##### (i) Finance costs

After initial recognition, debt is reduced by repayments made in the period. Finance costs of debt are recognised in the profit and loss account over the term of such instruments.

#### 4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The directors' conclusion is that there are no critical judgements or estimates.

Everest Leasing Company Limited

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Notes to the financial statements for the year ended 31 December 2022

**5. Turnover**

Turnover represents ship lease rental income receivable for the year.

**6. Cost of sales**

	2022 USD	2021 USD
Rentals paid	25,501,267	25,501,267
	<u>25,501,267</u>	<u>25,501,267</u>

**7. Directors' remuneration, employee information and audit fees**

The company employed no staff during the year (2021: None).

The directors did not receive any remuneration in respect of their services to the company during the year (2021: £Nil).

The auditors' remuneration in the current and prior year for the statutory audit of the company's financial statements (2022: £10,180; 2021: £8,483) is settled by Credit Agricole CIB Marine Leasing Holdings Limited, the company's immediate parent company. There were no non-audit services provided to the company during the current or prior year.

**8. Interest receivable and similar income**

	2022 USD	2021 USD
Interest receivable on current investments	<u>481,303</u>	<u>11,188</u>

**9. Tax on loss**

**(a) Tax credit included in profit and loss account**

	2022 USD	2021 USD
<i>Current tax:</i>		
UK Corporation tax charge for the year	<u>952,492</u>	<u>711,796</u>
Total current tax	<u>952,492</u>	<u>711,796</u>

## Everest Leasing Company Limited

### Notes to the financial statements for the year ended 31 December 2022

#### Tax on loss (continued)

##### Deferred tax:

Origination and reversal of timing differences on operating lease adjustments	(1,017,384)	(813,798)
Re-measurement of deferred tax liability due to a change in the enacted UK tax rate from 19% to 25%	-	16,438,518
Deferred tax liability brought forward at 25% used at 19%	(321,279)	-
Total deferred tax	(1,338,663)	15,624,720
Tax receipt on profit / loss	(386,172)	16,336,516

#### (b) Reconciliation of tax (credit) / charge

The tax assessed for the year is lower (2021: higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2022 of 19.00% (2021: 19.00%).

The differences are explained below:

	2022 USD	2021 USD
Loss before tax	(341,539)	(536,851)
Loss before tax multiplied by the standard rate of tax in the UK of 19.00% (2021: 19.00 %)	(64,892)	(102,002)
Effects of:		
Deferred tax liability brought forward at 25% used at 19%	(321,280)	-
Re-measurement of deferred tax liability due to change in the enacted UK tax rate from 19% to 25%	-	16,438,518
Total tax for the year	(386,172)	16,336,516

#### 10. Debtors

	2022 USD	2021 USD
Lease rental receivable	4,995,389	5,203,483
Amounts owed by group undertakings	244,236	98
Prepayments and accrued income	21,508,133	25,767,300
	26,747,758	30,970,881



Everest Leasing Company Limited

Notes to the financial statements for the year ended 31 December 2022

Debtors (continued)

Amounts falling due after more than one year included above are:

	2022 USD	2021 USD
Prepayments and accrued income	17,248,965	21,508,133
	<u>17,248,965</u>	<u>21,508,133</u>

11. Investments

	2022 USD	2021 USD
Short Term Deposits	28,641,629	25,648,540
	<u>28,641,629</u>	<u>25,648,540</u>

Investment in short term deposits is with a group undertaking and has an original maturity of 3 months or less. At the balance sheet date, the deposit has a maturity of 1 month and bears interest at 3.88586% (2021: 0.0017%)

12. Creditors: amounts falling due within one year

	2022 USD	2021 USD
Group relief payable	237,065	173,069
	<u>237,065</u>	<u>173,069</u>

13. Non-current liabilities

The movement in the deferred tax liability during the year is analysed as follows: -

	2022 USD	2021 USD
Deferred tax liability at start of the year	68,493,820	52,869,100
Deferred tax (credit)/charge for the year (Note 9)	(1,338,663)	15,624,720
Deferred tax liability at the end of the year	<u>67,155,157</u>	<u>68,493,820</u>

## Everest Leasing Company Limited

### Notes to the financial statements for the year ended 31 December 2022

The UK corporation tax rate used by the company to compute the deferred tax liability as at 31 December 2022 is the average enacted or substantively enacted rate that is expected to apply when the deferred tax liability is settled. The deferred tax represents the timing difference which results in the difference between the book value and tax written down value of the ships.

#### 14. Capital and other commitments

As a lessee, the company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2022	2021
	USD	USD
Payments due		
Not later than 1 year	21,242,099	21,242,099
Later than one year and not later than 5 years	84,968,397	84,968,397
Later than 5 years	26,642,555	47,884,654
	<u>132,853,051</u>	<u>154,095,150</u>

#### 15. Operating leases

Operating leases rental receivables - company as lessor

The future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2022	2021
	USD	USD
Not later than 1 year	25,697,616	23,933,669
Later than one year and not later than 5 years	109,846,255	95,734,674
Later than 5 years	34,454,913	53,987,549
	<u>169,998,784</u>	<u>173,655,892</u>

#### 16. Called up share capital

	2022	2021
	USD	USD
<i>Authorised</i>		
50,000 (2021: 50,000) ordinary shares of US\$1 each	<u>50,000</u>	<u>50,000</u>
<i>Allotted, issued and fully paid</i>		
50,000 (2021: 50,000) ordinary shares of US\$1 each	<u>50,000</u>	<u>50,000</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

Everest Leasing Company Limited

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**Notes to the financial statements for the year ended 31 December 2022**

**17. Controlling parties**

The immediate parent undertaking is Credit Agricole CIB Marine Leasing Holdings Limited. The ultimate parent undertaking and controlling party is Crédit Agricole S.A., a company incorporated in France.

Crédit Agricole S.A. is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2022. The consolidated financial statements of Crédit Agricole S.A. are available from 12 place des États-Unis, 92545 Montrouge Cedex, France.

Crédit Agricole CIB S.A. is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Crédit Agricole CIB S.A. can be obtained from 12, place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France.