

J.P. Morgan G1 (GP) Limited

Registered number: 07220674

Annual report for the year ended 31 December 2022

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# **J.P. Morgan G1 (GP) Limited**

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# **J.P. Morgan G1 (GP) Limited**

## **Company information**

### **Directors**

C J Whittington

J R Ehlinger

R A Crombie

### **Company Secretary**

J.P. Morgan Secretaries (UK) Limited

### **Registered office**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
7 More London Riverside  
London SE1 2RT  
United Kingdom

## **J.P. Morgan G1 (GP) Limited**

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

The directors present their report and the audited financial statements of J.P. Morgan G1 (GP) Limited for the year ended 31 December 2022.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. The Company has taken advantage of the exemption under s414B of the Companies Act 2006 not to prepare a strategic report on the basis that the Company is small.

#### **Principal activities**

The principal activity of J.P. Morgan G1 (GP) Limited ("the Company") is to act as general partner to a limited partnership which invests in maritime and maritime related investments.

#### **Review of business**

The termination of the Global Maritime Investment Fund LP (the "Fund Partnership") was extended to December 2022 by Investor Consent. Since the termination of the Fund Partnership in December 2022, the Operator of the Fund Partnership has continued to seek an orderly sale of the remaining investments. Therefore, these financial statements have been prepared on a basis other than going concern. On that basis, the Company's assets and liabilities in the statement of financial position reflect their recoverable amount.

#### **Results and dividends**

The profit before taxation for the financial year was \$2,383 (2021: \$126) and after taxation was \$2,383 (2021: \$126). This profit after taxation has been transferred to reserves.

The directors do not recommend the payment of a dividend (2021: nil).

#### **Directors**

The names of the directors who were in office during the year and up to the date of signing the financial statements are listed on page 1.

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

Whilst management of the Company's risks and uncertainties is integrated with that of the JPMorgan Chase & Co. (the "Firm") and its associated subsidiaries (collectively, the "Group") of which the Company is part; the Company also manages its risks at a legal entity level.

The principal risks and uncertainties relating to the Group as a whole are discussed within the Group's annual report (which does not form part of this report). Those relating specifically to the Company itself are discussed in the financial risk management section of this report.

#### **Financial risk management**

Risk management is an inherent part of the business activities of the Group, of which the Company is a part. The Company has adopted the same risk management policies and procedures as the Group as a whole. The Company's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of its risks. The Company exercises oversight through the Board of Directors.

## **J.P. Morgan G1 (GP) Limited**

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

The Company's operations expose it to a variety of financial risks, the most significant of which are credit risk and operational risk.

An overview of the key aspects of risk management and the use of financial instruments is provided below. A more detailed description of the policies and processes adopted by all Group companies may be found within the JPMorgan Chase & Co. annual report.

#### *Credit risk*

The Company complies with Group policies which require monthly monitoring and reporting of exposures to all financial institutions. These exposures are subject to a Group concentration limit and are reviewed annually by the relevant Group risk committees.

#### *Operational risk*

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes or systems; human factors; or external events impacting the Firm and Company's processes or systems. Operational risk includes compliance, conduct, legal and estimations and model risk. Operational risk is inherent in the Firm and Company's activities and can manifest itself in various ways, including fraudulent acts, business disruptions (including those caused by extraordinary events beyond the Firm's control), cyber attacks, inappropriate employee behaviour, failure to comply with applicable laws, rules or regulations or failure of vendors or other third party providers to perform in accordance with their agreements.

To monitor and control operational risk, the Firm and the Company maintain a system of comprehensive policies and a control framework designed to provide a well-controlled operational environment and to monitor and record any control failures. Where suppliers are used to support its business, the Group and Company have established an operating model for engaging and monitoring the third-party providers, whilst minimizing risk, in line with Firmwide standards and policies, applicable laws and regulations.

### **Future developments**

#### *Volatility in financial markets*

Since the financial year end there has been significant volatility in financial markets, particularly within the banking sector due to the failure or distress of certain financial institutions. Senior management continues to monitor this development and evaluate its impact on the Company. Refer to note 15 for further details..

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 101 "Reduced Disclosure Framework", 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:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 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

## **J.P. Morgan G1 (GP) Limited**

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

- 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.

#### **Liability insurance for directors**

As permitted by Section 233 of the Companies Act 2006, the directors of the Company are covered for insurance purposes by the Group's overall insurance maintained at a consolidated level.

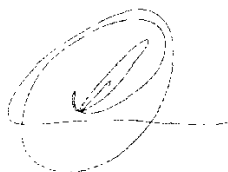
#### **Third party indemnities**

A qualifying indemnity is provided to the directors of the Company under the by-laws of JPMorgan Chase & Co. against liabilities and associated costs which they could incur in the course of their duties to the Company. The indemnity remains in force at the date of these financial statements and a copy of the by-laws of JPMorgan Chase & Co. is kept at the registered office of the Company.

#### **Independent Auditors**

The independent auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office.

Approved by the board on 28 July 2023 and signed on its behalf by:



Richard Crombie  
Director  
4 August 2023

# Independent auditors' report to the members of J.P. Morgan G1 (GP) Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, J.P. Morgan G1 (GP) 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 101 "Reduced Disclosure Framework", 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 Annual Report, which comprise: Statement of financial position as at 31 December 2022; the Statement of comprehensive income and the 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.

### Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

### 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.

## **J.P. Morgan G1 (GP) Limited**

### **Independent auditors' report to the members of J.P. Morgan G1 (GP) Limited (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 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.

#### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the 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 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, 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 breaches of the Companies Act 2006, 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 posting of inappropriate journal entries. Audit procedures performed by the engagement team included:



## **J.P. Morgan G1 (GP) Limited**

### **Independent auditors' report to the members of J.P. Morgan G1 (GP) Limited (continued)**

- Enquiries with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing relevant meeting minutes, including those of the Board of Directors;
- Challenging judgements made by management in their accounting estimates, in particular in relation to recoverability of debtors; and,
- Identifying and testing journal entries meeting certain risk-based criteria, including unusual or unexpected account combinations.

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**

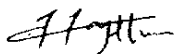
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- 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.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Haytham Abdel Sattar (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
4 August 2023

**J.P. Morgan G1 (GP) Limited****Statement of comprehensive income**

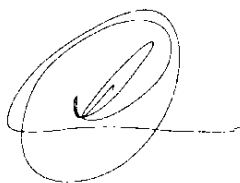
<b>Year ended 31 December</b>		<b>2022</b>	<b>2021</b>
	Note	\$	\$
Revenue	6	5,881,701	7,493,362
Administrative expenses	7	(5,879,318)	(7,493,236)
<b>Operating profit</b>		<u>2,383</u>	<u>126</u>
<b>Profit before taxation</b>		2,383	126
Income tax expense	10	-	-
<b>Profit for the financial year and total comprehensive income for the year</b>		<u>2,383</u>	<u>126</u>

The notes on pages 11 to 15 form an integral part of these financial statements.

**J.P. Morgan G1 (GP) Limited****Statement of financial position**

31 December		2022	2021
	Note	\$	\$
<b>Current assets</b>			
Trade and other receivables	11	1,063,699	3,728,968
Cash and cash equivalents		16,142	13,759
		<u>1,079,841</u>	<u>3,742,727</u>
<b>Trade and other payables: amounts falling due within one year</b>	12	(1,063,699)	(3,728,968)
		<u>)</u>	<u>)</u>
<b>Total assets less current liabilities</b>		<u>16,142</u>	<u>13,759</u>
<b>Net assets</b>		<u>16,142</u>	<u>13,759</u>
<b>Equity</b>			
Called up share capital	13	100	100
Retained earnings		16,042	13,659
<b>Total shareholders' funds</b>		<u>16,142</u>	<u>13,759</u>

The financial statements on pages 8 to 15 were approved by the board of directors on 28 July 2023 and signed on its behalf by:



Richard Crombie

Director

4 August 2023

Company registered number: 07220674

The notes on pages 11 to 15 form an integral part of these financial statements

**J.P. Morgan G1 (GP) Limited****Statement of changes in equity**

	<b>Called up share capital</b>	<b>Retained earnings</b>	<b>Total shareholders ' funds</b>
	\$	\$	\$
<b>Balance as at 1 January 2021</b>	100	13,533	13,633
Profit for the financial year and total comprehensive income for the year	-	126	126
<b>Balance as at 31 December 2021</b>	100	13,659	13,759
Profit for the financial year and total comprehensive income for the year	-	2,383	2,383
<b>Balance as at 31 December 2022</b>	100	16,042	16,142

The notes on pages 11 to 15 form an integral part of these financial statements.

# **J.P. Morgan G1 (GP) Limited**

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

### **1. General Information**

The Company is a private company limited by shares and is incorporated and domiciled in England & Wales, United Kingdom. The address of its registered office is 25 Bank Street, Canary Wharf, London, E14 5JP, United Kingdom.

### **2. Basis of preparation**

The financial statements have been prepared in accordance with The Companies Act 2006 and in accordance with UK Financial Reporting Standard 100 "Application of Financial Reporting Requirements" and Financial Reporting Standard 101 "Reduced Disclosure Framework".

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments, and in accordance with the Companies Act 2006.

#### *Disclosure exemptions adopted:*

In preparing these financial statements the Company has taken advantage of disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

The following paragraphs of IAS 1, 'Presentation of financial statements':

- 10(d) (statement of cash flows);
- 16 (statement of compliance with all IFRS)
- 38A (requirement for minimum of two primary statements, including cash flow statements)
- 38B-D (additional comparative information)
- 111 (statement of cash flows information); and
- 134-136 (capital management disclosure)
- IFRS 7, 'Financial Instruments: Disclosures'
- IAS 7, 'Statement of cash flows'
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of JPMorgan Chase & Co. These financial statements do not include certain disclosures in respect of:

Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)

The financial statements of JPMorgan Chase & Co. can be obtained as described in note 14.

### **Going concern**

The termination of the Global Maritime Investment Fund LP (the "Fund Partnership") was extended to December 2022 by Investor Consent. Since the termination of the Fund Partnership in December 2022, the Operator of the Fund Partnership has continued to seek an orderly sale of the remaining investments. Therefore, these financial statements have been prepared on a basis other than going concern. On that basis, the Company's assets and liabilities in the statement of financial position reflect their recoverable amount.

## **J.P. Morgan G1 (GP) Limited**

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

#### **3. Accounting and reporting developments**

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 that have a material impact on the company's financial statements.

#### **4. Critical accounting estimates and judgements**

Due to the nature of business undertaken by the Company, no significant accounting estimates or judgements were required in preparation of these financial statements.

#### **5. Significant accounting policies**

##### **5.1. Functional and presentational currency**

Items included in the financial statements, are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in U.S. Dollar, which is the Company's functional and presentation currency and the currency in which the majority of the Company's revenue streams, assets, liabilities and funding is denominated.

##### **5.2. Financial instruments**

The Company recognises financial instruments from the trade date, and continues to recognise them until, in the case of assets, the rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership, or in the case of liabilities, until the liability has been settled, extinguished or has expired. Realised and recognised gains or losses arising from changes in fair value are included in the profit and loss account of the period in which they arise.

###### **5.2.1. Impairment of financial assets**

The Company's approach to measuring expected credit losses ("ECLs") depends on the type of instrument.

###### *Fee receivables*

For fee receivables arising from contracts with customers (e.g. investment management fee receivables), the Company applies a provision matrix as a practical expedient for calculating expected credit losses. The matrix provides that in the case of institutional customers, a receivable is considered to have had a significant increase in credit risk ("SICR") if it is 90 days past due and credit-impaired, if it is 180 days past due at which point an ECL for 100% of the amount owned is recognised. In the case of non-institutional customers, a receivable is considered to have had a SICR if it is 30 days past due and credit-impaired and if it is 90 days past due at which point an ECL for 100% of the amount owned is recognised.

###### **5.2.2. Other financial instruments**

The Company has determined that ECLs on other financial instruments are immaterial due to: the existence of credit risk mitigants such as the credit quality (e.g. investment-grade); and/or the short-term nature of the instrument. Similarly the Company has determined that these other financial instruments are without SICR due to the credit quality and/or the short-term nature of the instrument.

For inter-company loans and other borrowings, the Company evaluates the counterparty based on the Firm's resolution and recovery plan, tenor of the loan/receivable, and any collateral received. The Company has not experienced any losses on inter-company loans and other borrowings.

## **J.P. Morgan G1 (GP) Limited**

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

The Company continues to monitor its financial instruments to ensure the described framework is appropriate and its exposure to credit risk and ECLs on these instruments are adequately reflected in the allowance for credit losses.

#### **5.3. Income and expenditure**

Income and expenditure are recognised on an accruals basis. Income comprises of management fees (General Partner's Share) receivable from the Limited Partnership

#### **5.4. Cash and cash equivalents**

This includes deposits held on demand with banks with a maturity of less than 30 days and cash in hand.

### **6. Revenue**

Revenue comprises management fees (General Partner's Share) receivable from Global Maritime Investment Fund LP. The Company has only one class of business and operates in the United Kingdom.

### **7. Administrative expenses**

Auditors' remuneration was \$11,129 (2021: \$11,089), wholly for audit services. All expenses, including audit remuneration costs have been borne by Group undertakings.

### **8. Employee information**

The Company had no employees during the year (2021: nil).

### **9. Directors' emoluments**

The directors did not receive any remuneration from the Company (2021: nil). The remuneration of directors is paid by a fellow subsidiary, which makes no recharge to the Company. The directors hold directorships for a number of fellow subsidiaries, and it is not possible to make an accurate apportionment of their remuneration in respect of each of the subsidiaries.

**J.P. Morgan G1 (GP) Limited****Notes to the financial statements for the year ended 31 December 2022****10. Income tax expense****(i) Analysis of tax charge in the year**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Current tax	-	-
Adjustment in respect of prior years	-	-
Total current tax	-	-

**(ii) Factors affecting tax charge for year**

The tax charge for the year is lower (2021: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2022 of 19.00% (2021: 19.00%) as the tax charge for the year is nil. The differences are explained below:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Profit before taxation	2,383	126
Profit before taxation multiplied by effective rate of corporation tax in the UK 19.00% (2021: 19.00%)	(453)	(24)
Effect of:		
Group relief/other reliefs	453	24
Total tax charge for year	-	-

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. The Finance Act 2021 received Royal Assent on 10 June 2021 and the impact of the increase to 25% has therefore been fully reflected in the financial statements.

**11. Trade and other receivables**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Amounts owed by Group undertakings	1,063,699	3,728,968

Amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

**12. Trade and other payables: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Amounts owed to Group undertakings	1,063,699	3,728,968

Amounts owed to Group undertakings are unsecured and repayable on demand.



## **J.P. Morgan G1 (GP) Limited**

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

#### **13. Called up share capital**

	2022 \$	2021 \$
Authorised, allotted and fully paid 100 (2021: 100) ordinary shares of \$1 each	<u>100</u>	<u>100</u>

Called up share capital is the nominal value of share capital subscribed for. The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption.

#### **14. Controlling parties**

The immediate parent undertaking and controlling party is JPMorgan Asset Management Holdings (Luxembourg) S.à r.l.

The parent company of the largest group for which consolidated financial statements are prepared, and whom the directors regard as the ultimate holding company, is JPMorgan Chase & Co. which is incorporated in the United States of America.

The consolidated financial statements of JPMorgan Chase & Co. are available to the public and may be obtained from the Company's registered office at:

The Company Secretary  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

#### **15. Subsequent events since the statement of financial position date**

##### *Volatility in financial markets*

Since the financial year end there has been significant volatility in financial markets, particularly within the banking sector due to the failure or distress of certain financial institutions. Such disruptions might potentially affect the financial and/or operational performance of the Company. Senior management continues to monitor this development and evaluate its impact on the Company.

As at the date on which this set of financial statements was authorised for issue, the Company was not aware of any material adverse effects on the financial, operational or capital position as a result of the market disruptions, nor were there identified any material exposures to the impacted financial institutions.

**GLOBAL MARITIME INVESTMENT FUND LP  
(THE “FUND PARTNERSHIP”)**

**Audited financial statements for the year ended December 31, 2022**

60 Victoria Embankment  
London EC4Y 0JP  
England

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COMPANIES HOUSE

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## General information

2022

<b>Partnership Number:</b>	LP013886
<b>General Partner:</b>	J.P. Morgan GI (GP) Limited
<b>Directors of the General Partner:</b>	R.A.Crombie J.C. Ehlinger C.J. Whittington
<b>Operator:</b>	J.P. Morgan Investment Management Inc. 383, Madison Avenue New York NY 10179 USA
<b>Investment Adviser:</b>	JPMorgan Asset Management (UK) Limited 25 Bank Street, Canary Wharf London E14 5JP England
<b>Accountants:</b>	JPMorgan Chase Bank, N.A. 200 Capital Dock 79 Sir John Rogerson's Quay Dublin 2 Ireland
<b>Independent Auditors:</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London, SE1 2RT United Kingdom
<b>Legal Advisers:</b>	Allen & Overy LLP One Bishops Square London E1 6AD England  Stroock & Stroock & Lavan LLP 180 Maiden Lane New York NY 10038-4982 USA

# Strategic Report

2022

The Board of Directors of the General Partner presents its Strategic Report for the year ended December 31, 2022, for the Global Maritime Investment Fund LP (the "Fund Partnership").

## Review of the Fund Partnership's Business

### Principal activities

The objective of Global Maritime Investment Fund LP (the "Fund Partnership") is to seek a combination of income generation and capital appreciation through exposure to maritime investments.

### Business review and future development

The Fund Partnership commenced its investment activity in June 2010. The Investment Period ended on December 9, 2014. The original termination date of the Fund Partnership was December 9, 2020, but in June 2020, the Operator obtained Investors' Consent to extend the term of the Fund Partnership until not later than December 9, 2022. Since termination, the Operator continued to operate the Fund Partnership in an orderly manner and in accordance with the Limited Partnership Agreement.

### Investments

During the year ended December 31, 2022, the Fund's additional investment in its subsidiaries amounted to USD23.5 million (2021: USD3.75 million). The Fund's return of capital from its subsidiaries amounted to USD233.38 million (2021: USD53.53 million) leading to a total investment cost of USD311.98 million (2021: USD521.88 million).

As of December 31, 2022, the Fund Partnership's investments had a fair value of USD511.16 million (2021: USD701.54 million).

As of December 31, 2022, the Fund owned a total of 40 operating vessels (2021:50), twenty-five dry bulk carriers, twelve containership vessels and three car carriers).

### Results

#### Dividend and interest income received

During the year, the Fund Partnership received USD30.00 million of dividend income from its subsidiaries (2021: USD19.10 million).

#### Fair value movements of investments

During the year, the Fund Partnership's investments increased in value by USD19.51 million (2021: USD403.95 million). This movement was mainly attributable to an increase in value of the underlying vessel investments, together with operating income generated by vessel investments not distributed to the Fund Partnership.

#### Net result

The net result for the year, after taking into account the dividend income received of USD30.00 million (2021: USD19.10 million), fair value gain on investments of USD19.51 million (2021: USD403.95 million), the General Partner Share of USD5.88 million (2021: USD7.49 million) and other operating and finance costs of USD0.72 million (2021: USD1.20 million), is income of USD42.91 million (December 31, 2021: USD414.36 million).

#### Capital calls

The Fund Partnership did not call any capital from its limited partners during the year (2021: USD Nil).

#### Distributions

The Fund Partnership distributed USD258 million to its limited partners during the year (2021: USD68 million).

#### Key Performance Indicators

Below we show the key performance measures for the business

As at December 31, 2022	IRR (Net)	Equity Multiple (Net)
Current IRR / Equity Multiple (Net)	2.25%	1.18x
Forecast IRR / Equity Multiple (Net)	1.82%	1.15x

**Principal Risks and Uncertainties**

As outlined in the Fund Partnership's private placement memorandum, an investment in the Fund Partnership is subject to certain risks associated with the ownership of vessels and the global shipping industry in general, including: local, national and international economic conditions, changes in transportation patterns, the financial condition of charters, lessees, pool operators, changes in interest rates and the availability of debt financing, changes in environmental laws and regulations, changes in governmental rules and fiscal and monetary policies, and other factors which are beyond the reasonable control of the Fund Partnership and the Fund Operator. In addition, maritime and maritime-related assets are subject to long-term cyclical trends that give rise to significant volatility in values in terms of charter rates, profitability and, consequently, vessel values.

A summary of the key risks and their management are set out below:

***Economy Risk***

Current economic and geopolitical risks, include the war in Ukraine and present uncertainty to global markets. The fluidity of this situation precludes any prediction as to the ultimate adverse impact of global events and currently, the General Partner does not believe there is a need to alter its existing investment strategy as a result of these uncertainties. The General Partner has reviewed business continuity plans for itself, the Operator and service providers and expects the Fund to be able to continue operations throughout this period of uncertainty.

***Litigation Risk***

Investments in maritime assets are often governed by a complex series of legal documents and contracts. Such documents may be subject to disputes over interpretation or enforceability resulting in consequent costs and delays. There may be legal action taken by third parties should there be disputes – these would have an adverse effect on the Fund Partnership.

***Disposition and Exit Risks***

In connection with the disposition of an Investment, the Fund Partnership may be required to make representations about such Investment typical of those made in connection with the sale of a maritime asset. The Fund may also be required to indemnify the purchasers to the extent that any such representations turn out to be incorrect, inaccurate, or misleading. These may result in investors indirectly bearing the costs of contingent liabilities that may arise.

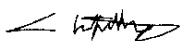
***Spot Market Risks***

The Fund Partnership may in certain circumstances pursue the chartering of vessels on a spot charter basis. Spot charters are entered into as either voyage charters or short-term time charters of less than 12 months' duration. Although dependence on spot charters is not unusual in the shipping industry, the spot charter market is highly competitive and spot charter rates are subject to significant fluctuations based upon available charters and the supply of and demand for seaborne shipping capacity. The Fund Partnership cannot be assured that spot charters will be available at rates that will be sufficient to enable the Fund Partnership to achieve its Target Return.

***Legal and Regulatory Risk***

The shipping industry is extensively regulated. The Vessel Investments will have to operate within the rules, international conventions and regulations adopted by the International Maritime Organisation (IMO), an agency of the United Nations, as well as other international, national, state, and local laws, conventions and regulations in each of the jurisdictions in which the maritime assets owned by the Fund Partnership's subsidiaries, operate as well as those of the country or countries in which such maritime assets are registered. The costs relating to adhering to these regulations and any changes that result might have to be borne by the Investors of the Fund Partnership.

By order of the General Partner



For and on behalf of J.P.Morgan G1 (GP) Limited  
Director

Date: April 27, 2023

# General Partner's Report

2022

The Board of Directors of the General Partner presents its Annual Report and the audited financial statements of Global Maritime Investment Fund LP for the year ended December 31, 2022.

## **Principal activities**

The objective of Global Maritime Investment Fund LP (the "Fund Partnership") is to seek a combination of income generation and capital appreciation through exposure to maritime investments.

## **Business review and future development**

The Fund Partnership commenced its investment activity in June 2010. The Investment Period ended on December 9, 2014. The original termination date of the Fund Partnership was December 9, 2020, however, in June 2020, the Operator obtained Investors' Consent to extend the term of the Fund Partnership until not later than December 9, 2022. Since Termination, the Operator continued to operate the Fund Partnership in an orderly manner and in accordance with the Limited Partnership Agreement.

## **Investments**

During the year ended December 31, 2022, the Fund Partnership, through its subsidiaries and joint ventures, sold ten vessels. These disposals included the sale of a capesize vessel, two MR-tankers, four Kamsarmax vessels, and one pure car and truck carrier ("PCTC").

As at December 31, 2022, the fleet stood at forty operating vessels, (twenty-five dry bulk carriers, twelve containership vessels and three car carriers).

## **Results**

### ***Dividend and interest income received***

During the year, the Fund Partnership received USD30.00 million of dividend income from its subsidiaries (2021: USD19.10 million).

### ***Fair value movements of investments***

During the year, the Fund Partnership's investments increased in value by USD19.51 million (2021: USD403.95 million). This movement was mainly attributable to an increase in value of the underlying vessel investments, together with operating income generated by vessel investments not distributed to the Fund Partnership.

## **Net result**

The net result for the year, after taking into account the dividend income received of USD30.00 million (2021: USD19.10 million), fair value gain on investments of USD19.51 million (2021: USD403.95 million), the General Partner Share of USD5.88 million (2021: USD7.49 million) and other operating and finance costs of USD0.92 million (2021: USD1.20 million), is income of USD42.91 million (December 31, 2021: USD414.36 million).

## **Capital calls**

The Fund Partnership did not call any capital from its limited partners during the year (2021: USD Nil).

## **Distributions**

The Fund Partnership distributed USD258 million to its limited partners during the year (2021: USD68 million).

**Business review and future development (continued)****Current events**

Current economic and geopolitical risks, including the war in Ukraine, present uncertainty to global markets. The fluidity of this situation precludes any prediction as to the ultimate adverse impact of global events and at this time, the General Partner does not believe there is a need to alter its existing investment strategy as a result of these uncertainties. The General Partner has reviewed business continuity plans for itself, the Operator and service providers and expects the Fund to be able to continue operations throughout this period of uncertainty.

**Financial risk management objectives and policies**

Refer to Note 3 in the notes to the financial statements for details on financial risk management objectives and policies.

**Events after the balance sheet date**

Refer to Note 14 in the notes to the financial statements for details of events after the balance sheet date.

**Statement of General Partner's responsibilities in respect of the Annual Report and the audited financial statements**

The General Partner is responsible for preparing the General Partner's report and the audited financial statements in accordance with applicable law and regulations.

Company law, as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations"), requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, as applied to qualifying partnerships, a general partner 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 Fund Partnership and of the profit or loss of the Fund Partnership for that period. In preparing the financial statements, the general partner is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards 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 Fund will continue in business. Refer to going concern paragraph below.

The General Partner is also responsible for safeguarding the assets of the Fund Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Fund Partnership has applied the Investment Entities amendment to IFRS 10 'Consolidated financial statements'. Since the Fund Partnership is an investment entity under the standard, it is exempt from consolidating underlying subsidiaries and instead it is required to account for these subsidiaries at fair value through profit or loss. Refer to Notes 2C, 2D and 4.



# General Partner's Report

2022

## Statement of General Partner's responsibilities in respect of the Annual Report and the audited financial statements (continued)

The financial statements are made available through FIS Data Exchange, a third party hosted site. The maintenance and integrity of the FIS Data Exchange site is the responsibility of the General Partner; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

### Going Concern

The original termination date of the Fund Partnership was December 9, 2020 and this was extended to December 9, 2022 by Investor Consent. Since the termination of the Fund Partnership in December 2022, the Operator of the Fund Partnership has continued to seek an orderly sale of the remaining investments. The Operator continues to operate the Fund Partnership in a commercially reasonable manner that seeks to maximize value for investors. The financial statements of the Fund Partnership have therefore been prepared on a basis other than that of a going concern.

As a result of this, all the assets and liabilities of the Fund Partnership have been classified as current. Additionally the fair value of the investments has been adjusted to reflect the net realizable value, which takes into account costs associated with selling and liquidating the underlying investments. Moreover, a provision has been made for the cost of liquidating the Fund Partnership.

On a quarterly basis, the Fund Partnership reviews its asset valuations, along with underlying asset assumptions in light of the economic uncertainties. Investment cashflows and Fund Partnership expenses are analysed quarterly and forecast to project anticipated drawdowns from investors and distributions of excess cash to investors. Given the sufficient amounts of undrawn investor commitments, along with no credit facility debt at the Fund Partnership level, the General Partner believes it will be able to operate within the level of its current financing until such time as the Fund Partnership has completed its orderly liquidation..

### Independent Auditors

The General Partner confirms that so far as it is aware, there is no relevant audit information of which the Fund Partnership's auditors are unaware, and it has taken all the steps that it ought to have taken as a General Partner in order to make itself aware of any relevant audit information and to establish that the Fund Partnership's auditors are aware of that information.

PricewaterhouseCoopers LLP has expressed its willingness to continue in office as the Independent Auditors.

By order of the General Partner



April 27, 2023

For and on behalf of J.P.Morgan G1 (GP) Limited  
Director

Date

# Independent auditors' report to the partners of Global Maritime Investment Fund LP

## Report on the audit of the financial statements

### Opinion

In our opinion, Global Maritime Investment Fund LP's financial statements:

- give a true and fair view of the state of the partnership's affairs as at 31 December 2022 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the audited financial statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2022; the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Net Assets Attributable to Limited Partners 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 partnership 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.

### Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 U to the financial statements which describes the general partner's reasons why the financial statements have been prepared on a basis other than going concern.

### 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 general partner is 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.

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 General Partner's Report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

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

### **Strategic report and General Partner's Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and General Partner's 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 partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and General Partner's Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the general partner for the financial statements**

As explained more fully in the Statement of General Partner's responsibilities in respect of the Annual Report and the audited financial statements, the general partner is 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 general partner is 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 general partner is responsible for assessing the partnership'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 general partner either intends to liquidate the partnership or to cease operations, or has 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 partnership and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the Limited Partnership Agreement, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 as applied to qualifying partnerships by

the Partnerships (Accounts) Regulations 2008. 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 posting inappropriate journal entries, as well as management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussing with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Understanding of management's internal controls designed to prevent and detect irregularities.
- Designing audit procedures to incorporate unpredictability
- Challenging assumptions and judgements made by management in their critical accounting estimates.
- Identifying and testing journal entries.

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 partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 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 as applied to qualifying partnerships 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 partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of general partner's 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.



James Mee (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
27 April 2023

# Financial Statements for the Fund Partnership

2022

**Global Maritime Investment Fund LP**  
**Statement of Financial Position**  
**As at December 31, 2022**  
**All Amounts in USD Thousands**

	Notes	December 31, 2022	December 31, 2021
<b>Assets</b>			
<b>Current assets</b>			
Investments at fair value through profit or loss	4	511,164	701,539
Amount due from limited partners and affiliates	5	868	506
Cash and cash equivalents		6,813	34,468
<i>Total current assets</i>		<u>518,845</u>	<u>736,513</u>
<b>Total assets</b>		<u>518,845</u>	<u>736,513</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Due to General Partner	6	1,064	3,729
Accrued expenses	7	1,187	1,104
<i>Total current liabilities</i>		<u>2,251</u>	<u>4,833</u>
<b>Net current assets</b>		<u>516,594</u>	<u>731,680</u>
<b>Net assets attributable to limited partners</b>		<u>516,594</u>	<u>731,680</u>
<b>Total liabilities</b>		<u>518,845</u>	<u>736,513</u>

The financial statements were approved by the General Partner on April 27, 2023 and signed on its behalf by



Director

April 27, 2023

Date

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

# Financial Statements for the Fund Partnership

2022

**Global Maritime Investment Fund LP**  
**Statement of Comprehensive Income**  
**For the year ended December 31, 2022**  
**All Amounts in USD Thousands**

	Notes	Year ended December 31, 2022	Year ended December 31, 2021
<b>Investment income</b>			
Dividend income	9	30,000	19,100
Interest Income		216	-
Net change in fair value of investments at fair value through profit or loss	4	19,508	403,954
<b>Net investment income</b>		<b>49,724</b>	<b>423,054</b>
<b>General and administrative expenses</b>			
General Partner's share	6	(5,881)	(7,491)
Other expenses	10	(1,074)	(1,204)
<b>Total general and administrative expenses</b>		<b>(6,955)</b>	<b>(8,695)</b>
<b>Operating result</b>		<b>42,769</b>	<b>414,359</b>
Finance income		149	3
Finance costs	8	(4)	(3)
<b>Net finance income</b>		<b>145</b>	<b>-</b>
<b>Net result for the year attributable to limited partners</b>		<b>42,914</b>	<b>414,359</b>

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

# Financial Statements for the Fund Partnership

2022

## Global Maritime Investment Fund LP Statement of Changes in Net Assets attributable to limited partners For the year ended December 31, 2022 All Amounts in USD Thousands

	Capital contribution	Advance contribution/ (distribution)	Retained earnings	Fund Partnership Total
Balance as at January 1, 2022	108	635,742	95,830	731,680
Distributions	-	(258,000)	-	(258,000)
Net result for the year	-	-	42,914	42,914
Balance as at December 31, 2022	108	377,742	138,744	516,594

	Capital contribution	Advance contribution/ (distribution)	Accumulated (losses)/ Retained earnings	Fund Partnership Total
Balance as at January 1, 2021	108	703,742	(318,529)	385,321
Distributions	-	(68,000)	-	(68,000)
Net result for the year	-	-	414,359	414,359
Balance as at December 31, 2021	108	635,742	95,830	731,680

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

# Financial Statements for the Fund Partnership

2022

**Global Maritime Investment Fund LP**  
**Statement of Cash Flows**  
**For the year ended December 31, 2022**  
**All Amounts in USD Thousands**

	Notes	Year ended December 31, 2022	Year ended December 31, 2021
<b>Cash flows from operating activities</b>			
Net result for the year attributable to limited partners		42,914	414,359
<i>Adjustments in relation to:</i>			
Dividend income	9	(30,000)	(19,100)
Interest Income		(216)	-
Net change in fair value of investments at fair value through profit or loss	4	(19,508)	(403,954)
Changes in working capital	13	(2,944)	(4,637)
Finance (income) and costs, net		(145)	-
<b>Net cash used in operations</b>		<b>(9,899)</b>	<b>(13,332)</b>
Finance (costs) paid and income received, net		145	-
<b>Net cash used in operating activities</b>		<b>(9,754)</b>	<b>(13,332)</b>
<b>Cash flows from investing activities</b>			
Investments in subsidiaries	4	(23,500)	(3,750)
Return of capital from subsidiaries	4	233,383	53,531
Dividend income received	9	30,000	19,100
Interest income received		216	-
<b>Net cash generated from investing activities</b>		<b>240,099</b>	<b>68,881</b>
<b>Cash flows from financing activities</b>			
Distributions paid to limited partners		(258,000)	(68,000)
<b>Net cash used in financing activities</b>		<b>(258,000)</b>	<b>(68,000)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(27,655)</b>	<b>(12,451)</b>
Cash and cash equivalents at the beginning of the year		34,468	46,919
<b>Cash and cash equivalents at the end of the year</b>		<b>6,813</b>	<b>34,468</b>

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



# Notes to the Financial Statements for the Fund Partnership

2022

## 1. General information

Global Maritime Investment Fund LP (the "Fund") comprises the following:

Fund entity	Date of registration	Jurisdiction	Registered office
Global Maritime Investment Fund LP ("Fund Partnership")	April 26, 2010	England	60 Victoria Embankment, London, EC4Y 0JP, England
Global Maritime Investment Fund Feeder LP ("Feeder Partnership")	April 15, 2010	Scotland	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland
Global Maritime Investment Fund Intermediate LP ("Intermediate Partnership")	April 15, 2010	Scotland	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland
Global Maritime Investment Fund Feeder, LLC ("Feeder LLC")	April 7, 2010	Delaware	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, U.S.A.

The General Partner of the Fund Partnership is, J.P. Morgan G1 (GP) Limited. The General Partner has delegated the operation and administration of the Fund Partnership to J.P.Morgan Investment Management Inc. (the 'Operator'). The Operator has appointed JPMorgan Asset Management (UK) Limited (the 'investment adviser') to provide certain non-discretionary advisory services.

The Fund is closed-end and limited partners participate in the Fund through (i) interests directly in the Fund Partnership; (ii) limited liability company interests in the Feeder LLC which invests in the Fund Partnership via the Intermediate Partnership; (iii) limited partnership interests in the Feeder Partnership.

### Final closing

The Fund's final closing date was December 9, 2011. The total commitments on the final closing date amounted to USD780.33 million.

JPMAM G1 CIP LP (the "Carried Interest Partnership") and its limited partners participate in the Fund as a limited partner with commitments of USD22.73 million to the Fund Partnership (December 31, 2021: USD22.73 million).

The Fund Partnership's founder limited partner JPMorgan Asset Management Holdings (Luxembourg) S.à.r.l (the "Founder Limited Partner") made a USD100 capital contribution to the Fund Partnership (December 31, 2021: USD100). The Founder Limited Partner has no other commitments besides the capital contributed.

### Investment strategy

The purpose of the Fund is to invest in vessels in any part of the world. The Fund has invested by directly or indirectly, (i) acquiring shares or other ownership units in an existing or newly formed holding company which owns one or more vessels; and (ii) investing in listed and unlisted equity or debt securities (including shares, bonds and other securities) of an entity that owns one or more vessels (including in an entity at a pre-IPO stage or a listed entity which the Fund seeks to take private).

The Fund has invested, directly or indirectly, in vessels in the bulker sector the tanker sector and the containership sector (together bulkier tanker containership vessels ("BTC vessels")) and, subject to the investment guidelines included in the Limited Partnership Agreement ("LPA"), in car carrier vessels ("Non-BTC vessels").

### Investment period

The Fund's investment period commenced on the initial closing date (June 10, 2010) and ended on December 9, 2014, the third anniversary of the final closing date (December 9, 2011).

### Fund termination

The Fund's original termination date was December 9, 2020, subject to extension by an additional two consecutive one-year periods, at the election of the Operator with prior approval of the Fund investors. In June 2020, Investor Consent was obtained in relation to the extension of the Fund Partnership. As a result of this, the term of the Fund Partnership was extended until not later than December 9, 2022. Accordingly the term of the Fund Partnership ended on December 9, 2022. Since Termination, the Operator continued to operate the Fund Partnership in an orderly manner in accordance with the Limited Partnership Agreement.

# Notes to the Financial Statements for the Fund Partnership

2022

## 1. General information (continued)

### *Drawdowns*

During the year ended December 31, 2022, the Fund Partnership did not call any capital from the limited partners (year ended December 31, 2021: Nil).

The total amount drawn down at December 31, 2022, was USD781.85 million (year ended December 31, 2021: USD781.85 million) and this included USD2.68 million of returned capital that was recalled in 2017.

### *Distributions*

The Fund Partnership's profits and losses are allocated to its limited partners, pro-rata on their commitments.

Distributions are made to the partners as follows:

- (a) First, 100% to the General Partner until the General Partner has received the General Partner's Share;
- (b) Second, 100% to the limited partners until they have received cumulative distributions equal to the aggregate of : (i) their advance contributions used to fund the vessel investment in respect of which distributions are being made and all other realised investments, plus their proportionate share of any write-downs of unrealised vessel investments, as of that time; and (ii) the advance contributions used to fund all Fund Partnership expenses and loans in respect of the General Partner's share allocated to the investments included in (i);
- (c) 100% to the limited partners until the cumulative distributions to the limited partners under this paragraph (c) and paragraphs (d) and (e) equal the 9% preferred return, compounded annually;
- (d) 60% to the Carried Interest Partner and 40% to the limited partners, until the Carried Interest Partner has received 20% of the aggregate distributions under paragraph (c) and this paragraph (d); and
- (e) 80% to the limited partners and 20% to the Carried Interest Partner.

As at December 31, 2022, the inception to date distributions amounted to USD404.00 million (December 31, 2021: USD146.00 million). USD258.00 million were distributed during the year ended December 31, 2022 (2021: USD68.00 million).

## 2. Summary of significant accounting policies

The principal accounting policies adopted 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*

The financial statements have been prepared in accordance with UK-adopted international accounting standards ('IFRS') as applied to qualifying partnerships by the Partnerships (Accounts) Regulation 2008. The financial statements have been prepared on a basis other than a going concern under the historical cost convention as modified for the revaluation of financial assets held at fair value through profit or loss. As a result of this, all the assets and liabilities of the Fund Partnership have been classified as current. Additionally the fair value of the investments has been adjusted to reflect the net realizable value, which takes into account costs associated with selling and liquidating the underlying investments. Moreover, a provision has been made for the cost of liquidating the Fund Partnership. (refer to Note 2U)

The Fund Partnership meets the definition of an investment entity as defined by IFRS 10 and is required to account for the investment in its subsidiaries at fair value through profit or loss. These separate financial statements are the only financial statements presented by the Fund Partnership. Refer to Note 2 (C) in these financial statements for further information on investment entities.

The presentation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgment in the process of applying the Fund Partnership's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions or estimates are significant to financial statements are disclosed in Note 2C and 2H below.

# Notes to the Financial Statements for the Fund Partnership

2022

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

### B. Changes in accounting policy and disclosures

#### i) Standards and amendments to existing standards for the financial year beginning January 1, 2022

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have a material effect on the financial statements of the Fund Partnership.

#### ii) New standards, amendments and interpretations issued but not effective for the financial year beginning January 1, 2022 and not adopted early

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2023 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

### C. Investment entity

The Fund Partnership has multiple unrelated investors and holds multiple investments. Net assets attributable to the limited partners are classified as a financial liability, due to a finite life and contractual payment provisions to each of the limited partners within the LPA. Net assets attributable to limited partners' capital are carried at amortised cost and are classified as debt in accordance with IAS 32. The limited partners' interests are exposed to variable returns from changes in the fair value of the Fund Partnership's net assets.

The Fund Partnership has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- (a) The Fund Partnership has obtained funds for the purpose of providing investors with investment management services.
- (b) The Fund Partnership's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- (c) The performance of investments made through the subsidiaries are measured and evaluated on a fair value basis.
- (d) The Fund Partnership holds more than one investment.
- (e) The Fund Partnership has more than one investor.
- (f) The majority of its ultimate investors are not related parties to the Fund Partnership.
- (g) The investors' ownership interests in the Fund Partnership are in the form of capital and advance contributions. They are exposed to variable returns from changes in the fair value of the Fund Partnership's net assets.

# Notes to the Financial Statements for the Fund Partnership

2022

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

### D. Subsidiaries

As at December 31, 2022 and December 31, 2021, the Fund Partnership controlled the following subsidiaries through its majority holding of the voting rights and ownership interests. These subsidiaries have been accounted for at Fair Value through profit or loss in accordance with IFRS 10:

Name of entity	Country	equity ownership %	Nature of business	Address
Corvair Holding B Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Corvair Holding 2 Ltd.	Marshall Islands	99%	Holding company	Ajeltake Road, Ajeltake Island, Majuro Marshall Islands
Heavy Lift Sumo Holding Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Sumo Shipping Holding GmbH & Co KG	Germany	70%	Holding partnership	Gartenstr. 2 49733 Haren (Ems), Germany
Harren & Partner Sumo-Shipping GmbH & Co KG MS Palmarola	Germany	70%	Investment partnership	Boschstr. 21, 49733 Haren (Ems), Germany
Sumo Shipping Holding GP GmbH	Germany	70%	General Partner	Boschstr. 21, 49733 Haren (Ems), Germany
Harren & Partner Sumo-Shipping GP GmbH	Germany	70%	General Partner	Boschstr. 21, 49733 Haren (Ems), Germany
Harren & Partner Sumo Palmarola Ltd.	Antigua and Barbuda	70%	Holding company	60 Nevis Street, St. John's, Antigua
Corvair Holding A Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Corvair Holding 1 Ltd.	Marshall Islands	93.69%	Holding company	Ajeltake Road Ajeltake Island, Majuro Marshall Islands
Windley Key Limited	Liberia	93.69%	Investment company	80 Broad Street, Monrovia, Liberia
Dry Bulk Selene Holding Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Proteus Holding Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Proteus 7 Ltd.	Liberia	100%	Investment company	80 Broad Street, Monrovia, Liberia
Proteus 8 Ltd.	Liberia	100%	Investment company	80 Broad Street, Monrovia, Liberia
Centurion Holding Ltd	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Dakota Holding Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Dakota 1 Ltd.	Liberia	100%	Investment company	80, Broad Street, Monrovia, Liberia
Dakota 2 Ltd.	Liberia	100%	Investment company	80, Broad Street, Monrovia, Liberia

# Notes to the Financial Statements for the Fund Partnership

2022

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

### D. Subsidiaries (continued)

Dreadnought Holding Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Dragon Investments Cooperatief U.A.	Netherlands	100%	Holding company	Naritaweg 165, Telestone 8, 1043 BW Amsterdam
Dynasty Holdings I Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Deadweight Holdings 1 Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Deadweight Holdings 2 Ltd.	Bermuda	100%	Holding company	Victoria Place, 5 <sup>th</sup> Floor, 31, Victoria Street, Hamilton HM 10 Bermuda
Nautilus H Ltd.	UK	100%	Holding company	30, St Mary Axe, London, United Kingdom. EC3A 8BF
BTG Shipowning II Ltd.	Bermuda	100%	Investment company	3 <sup>rd</sup> Floor, Par la Ville Place, 14, Par La Ville Road, Hamilton HM08, Bermuda
BTG Shipowning IV Ltd.	Bermuda	100%	Investment company	3 <sup>rd</sup> Floor, Par la Ville Place, 14, Par La Ville Road, Hamilton HM08, Bermuda
BTG Shipowning V Ltd.	Bermuda	100%	Investment company	3 <sup>rd</sup> Floor, Par la Ville Place, 14, Par La Ville Road, Hamilton HM08, Bermuda
BTG Shipowning VI Ltd.	Bermuda	100%	Investment company	3 <sup>rd</sup> Floor, Par la Ville Place, 14, Par La Ville Road, Hamilton HM08, Bermuda
Selene Shipping and Trading Co. Ltd	Liberia	100%	Investment company	80, Broad Street, Monrovia, Liberia

### E. Financial assets

#### Classification

The Fund Partnership classifies its financial assets as 'Investments at fair value through profit or loss'.

The investments have been designated as 'at fair value through profit or loss' as the Fund Partnership manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Fund Partnership's investment strategy. As at December 31, 2022 and December 31, 2021, these were classified as current assets due to the fact that the financial statements of the Fund Partnership are being prepared on a basis other than going concern.

# Notes to the Financial Statements for the Fund Partnership

2022

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

### *E. Financial assets (continued)*

#### **Recognition and measurement**

Regular purchases and sales of investments are recognised on the trade-date – the date on which the Fund Partnership commits to purchase or sell the asset. Investments carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Comprehensive Income. As at December 31, 2022 and December 31, 2021, the fair value of the investments were adjusted to reflect their net realizable value, which takes into account costs associated with selling and liquidating the underlying investments. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund Partnership has transferred substantially all risks and rewards of ownership.

Gains or losses arising from changes in the fair value of the 'investments at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within 'net change in fair value of investments through profit or loss' in the year in which they arise. Dividend income from investments at fair value through profit or loss is recognised in the Statement of Comprehensive Income as part of dividend income when the Fund Partnership's right to receive payments is established and dividend has been received.

#### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. At December 31, 2022 and December 31, 2021 no such legal right of offset was applicable.

### *F. Foreign currency translation*

#### **Functional and presentational currency**

Items included in the books and records of each of the Fund Partnership's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in US Dollar (USD or \$), which is the Fund Partnership's functional and presentational currency.

#### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

When gains or losses on a non-monetary item are recognised directly in the Statement of Other Comprehensive Income, the exchange component of that gain or loss shall be recognised directly in the Statement of Other Comprehensive Income. Conversely, when gains or losses on a non-monetary item are recognised directly in the profit or loss within the Statement of Comprehensive Income, the exchange component of that gain or loss shall be recognised in the profit or loss within the Statement of Comprehensive Income.

As at December 31 the exchange rate was as follows:

**2022:** 1 USD (\$) = 0.9370 euros (EUR)

**2021:** 1 USD (\$) = 0.8794 euros (EUR)

# Notes to the Financial Statements for the Fund Partnership

2022

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

### *G. Cash and cash equivalents*

Cash and cash equivalents comprise cash in hand, deposits held on call with banks and other short-term investments in an active market with original maturities of three months or less.

### *H. Critical accounting estimates and judgements*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income, expenses and unrealised gains or losses during the reporting year. Actual results could differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors. These include expectations of future events that are believed to be reasonable under the circumstances.

The General Partner makes estimates and assumptions concerning:

- i) its recognition as an investment entity as defined in IFRS 10,
- ii) fair value of financial assets at fair value through profit or loss (see 2E above) and
- iii) the going concern status of the Fund Partnership.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

### *I. Dead deal costs*

These costs are fully expensed in the statement of comprehensive income in the year in which they are incurred.

### *J. Revenue recognition*

Revenue comprises the fair value of consideration received or receivable for rendering services in the ordinary course of the Fund's activities.

Financial interest income and expense for all interest-bearing financial instruments, except for those designated at fair value through profit or loss, are recognised within 'interest income' in the statement of comprehensive income based on the effective interest rate.

Dividend income and interest income are only recognised upon receipt.

### *K. Provisions*

Provisions are recognised when the Fund Partnership has an obligation (legal or constructive) arising from a past event and the costs to settle the obligation are both probable and able to be reliably measured.

### *L. Borrowings*

Borrowings are recognised at amortised cost. Borrowings are classified as current liabilities unless the Fund has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

Interest and expenses related to the borrowings are reported as finance costs in the Statement of Comprehensive Income based on the effective interest rate.

# Notes to the Financial Statements for the Fund Partnership

2022

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

### *M. Borrowing costs*

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are recognised as an expense in the year in which they incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### *N. Limited partners' capital*

Limited partners' capital in the Fund Partnership consists of capital contribution and advance contribution. The capital contribution of each limited partner amounts to 0.01% of each limited partner's commitment. Each limited partner contributed the full amount of its capital contribution on the closing date on which it is admitted to the Fund Partnership. The capital contributions are not returned to the limited partners until the end of the life of the Fund Partnership. No interest is paid or payable by the Fund Partnership upon any capital contribution.

In order to fund the capital calls, the Fund Partnership draws down from the limited partners' committed capital. The advances are drawn down pro rata to the aggregate undrawn commitments to the Fund Partnership, until the commitments from the limited partners are fully paid up. No interest is paid or payable by the Fund Partnership upon any advances.

On termination of the Fund Partnership, the limited partners will be subordinated to all other creditors as regards repayment of any advances outstanding.

### *O. Distributions to limited partners*

Distributions are made in accordance with the LPA, see note 1.

### *P. Payables*

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. The Fund Partnership's payables comprise 'trade and other payables' and 'amounts due to affiliates' and 'amounts due to the General Partner' in the Statement of Financial Position. Payables are classified as current liabilities if payment is due within one year or less from statement of financial date. If not, they are presented as non-current liabilities. Payables are recognised initially at fair value and subsequently measured at fair value.

### *Q. Treatment of organisational expenses*

Organisational expenses are all costs and expenses incurred in relation to the formation and establishment of the Fund Partnership and its subsidiaries, which includes costs such as professional fees; i.e. tax consulting fees, legal fees and structuring fees. These costs are fully expensed within the year in which they are incurred and included under 'other expenses' in the Statement of Comprehensive Income.

### *R. Receivables*

Receivables are recognised initially at fair value and subsequently measured at amortised cost.

### *S. Derivative financial instruments*

The Fund Partnership may use derivative financial instruments such as interest rate swaps. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each reporting period. Changes in fair value of the derivatives are recognised immediately in the Statement of Comprehensive Income.

A derivative with a positive fair value is presented as a financial asset; a derivative with a negative value is presented as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months.



# Notes to the Financial Statements for the Fund Partnership

2022

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

### T. Guarantees

A performance guarantee may be provided by the Fund Partnership or its subsidiaries to the shipyards contracted by the underlying investment companies, guaranteeing the performance of the various payment obligations under the shipbuilding contracts. In those instances where the relevant investment company is only partially owned by the Fund Partnership, the joint venture partner would typically provide the Fund Partnership with a back-stop guarantee for its share of the obligations under the shipbuilding contract. Similarly the joint venture partner of investment companies may provide a full performance guarantee to the shipyard and in turn, receive a back-stop guarantee from the Fund Partnership for its share of the obligations. Guarantee fee income and guarantee fee expenses are recognised in the Statement of Comprehensive Income account when incurred.

### U. Going concern

As mentioned in Note 1, the original termination date of the Fund Partnership was December 9, 2020 and this was extended to December 9, 2022 by Investor Consent. Following the termination of the Fund Partnership in December 2022, the Operator of the Fund Partnership continued to seek an orderly sale of the remaining investments. The Operator continued to operate the Fund Partnership in a commercially reasonable manner that seeks to maximize value for investors. The financial statements of the Fund Partnership have therefore been prepared on a basis other than that of a going concern.

As a result of this, all the assets and liabilities of the Fund Partnership have been classified as current. Additionally the fair value of the investments has been adjusted to reflect the net realizable value, which takes into account costs associated with selling and liquidating the underlying investments. Moreover, a provision has been made for the cost of liquidating the Fund Partnership.

On a quarterly basis, the Fund Partnership reviews its asset valuations, along with underlying asset assumptions in light of the economic uncertainties. Investment cashflows and Fund Partnership expenses are analysed quarterly and forecast to project anticipated drawdowns from investors and distributions of excess cash to investors. Given its current working capital position, the sufficient amounts of undrawn investor commitments, along with no credit facility debt at the Fund Partnership level, the General Partner believes it will be able to operate within the level of its current financing until such time as the Fund Partnership has completed its orderly liquidation.

## 3. Financial risk management

### 3 A. Financial risk factors

An investment in the Fund involves certain risks relating to the Fund Partnership structure and to its investment policy. Where possible the Fund Partnership, J.P. Morgan Investment Management Inc. (the 'Operator') and JPMorgan Asset Management (UK) Limited ('Investment Advisor') will take the necessary actions to mitigate these risks.

The Fund Partnership's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Fund Partnership's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise their potential adverse effects on the Fund Partnership's financial performance. The Fund Partnership may use derivative financial instruments to moderate certain risk exposures.

#### 3.1 Market risk

##### Price risk

The Fund Partnership is exposed to price risk in connection with the selling prices that it will be able to secure for its investments in investment companies which are linked to the maritime investments they hold, when it chooses to sell them in the future. To manage its price risk arising from its investments, the Fund Partnership diversifies its portfolio. Diversification of the portfolio is done in accordance with the investment guidelines per the LPA. The values of vessels may vary significantly. Vessel values are a function of market sentiment, which is based on forward views of vessel supply and demand. Vessel supply is limited to what can be produced at shipyards globally and the price shipyards are willing to accept to build a vessel. Vessel demand is linked to the volumes of the underlying commodities they transport and the distances the commodities need to travel. The Fund Partnership evaluates potential sales and purchases based on available market information and estimated future earnings and costs so as to maximize returns to the limited partners.

# Notes to the Financial Statements for the Fund Partnership

2022

## 3. Financial risk management (continued)

### 3 A. Financial risk factors (continued)

#### 3.1 Market risk (continued)

##### *Price risk (continued)*

The Fund Partnership also is exposed to price risk in connection with the charter rates that its investment companies can secure on their vessels. The charter revenue is highly dependent on market conditions impacting freight rates. This risk is mitigated by lowering exposure towards the spot market by stabilizing revenue through use of long-term charters, when possible and when deemed beneficial.

##### *Currency risk*

The majority of the Fund Partnership's transactions are in USD and therefore it is not expected that the Fund Partnership will be exposed to any significant foreign currency risk. However, the Fund Partnership may invest or undertake transactions in target markets in which the USD is not the local currency. Where it is appropriate to do so, the Investment Advisor may advise the Fund Partnership to enter into transactions that mitigate the currency risk in connection with an investment. These transactions will not be entered into for speculative purposes. Where hedging is deemed appropriate to reduce currency risk for the Fund Partnership, the Investment Advisor will evaluate and advise the Fund Partnership to purchase the most cost effective instrument available at the time. In some instances either (i) it may not be cost effective to enter into such transaction or (ii) the anticipated hold period for an investment may be relatively short, in which case the risk arising from such investment will remain and the risk will be monitored and assessed on a regular basis.

It is impossible to reduce currency risk entirely where the magnitude and timing of future cash flows are not known with certainty. Therefore, the Fund Partnership's policy will serve to reduce, but not eliminate all the risks of currency or interest rate fluctuations.

##### *Cash flow and fair value interest rate risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As at December 31, 2022 and December 31, 2021, the Fund Partnership's interest-bearing financial assets were included in 'investments at fair value through profit or loss' and 'cash and cash equivalents'. The Fund Partnership did not have any interest-bearing financial liabilities. These interest-bearing financial assets expose the Fund Partnership's financial position and cash flows to risks associated with the effects of fluctuations in the prevailing levels of market interest rates. Given the illiquid nature of the underlying investments, the Fund Partnership's remaining cash flow risk is largely considered to be liquidity risk and this is considered in note 3.3.

# Notes to the Financial Statements for the Fund Partnership

2022

## 3. Financial risk management (continued)

### 3 A. Financial risk factors (continued)

#### 3.1 Market risk (continued)

##### *Cash flow and fair value interest rate risk (continued)*

The following tables summarise the Fund Partnership's exposure to interest rate risks at December 31, 2022 and December 31, 2021. The tables include the Fund Partnership's assets and liabilities at fair value.

<b>At December 31, 2022</b> <b>All amounts in \$ 000s</b>	<b>Less than 3 months</b>	<b>3 months to 1 year</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>	<b>Non interest bearing</b>	<b>Total</b>
<b>ASSETS</b>						
Investments at fair value through profit or loss	-	-	-	-	511,164	511,164
Amounts due from limited partners and affiliates	-	-	-	-	868	868
Cash and cash equivalents	6,813	-	-	-	-	6,813
<b>Total assets</b>	<b>6,813</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>512,032</b>	<b>518,845</b>
<b>LIABILITIES</b>						
Amounts due to general partner	-	-	-	-	1,064	1,064
Accrued expenses	-	-	-	-	1,187	1,187
<b>Total liabilities (excluding net liabilities attributable to partners)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,251</b>	<b>2,251</b>
<b>Net assets attributable to partners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>516,594</b>	<b>516,594</b>
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>518,845</b>	<b>518,845</b>

<b>At December 31, 2021</b> <b>All amounts in \$ 000s</b>	<b>Less than 3 months</b>	<b>3 months to 1 year</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>	<b>Non interest bearing</b>	<b>Total</b>
<b>ASSETS</b>						
Investments at fair value through profit or loss	-	-	-	-	701,539	701,539
Amounts due from limited partners and affiliates	-	-	-	-	506	506
Cash and cash equivalents	34,468	-	-	-	-	34,468
<b>Total assets</b>	<b>34,468</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>702,045</b>	<b>736,513</b>
<b>LIABILITIES</b>						
Amounts due to general partner	-	-	-	-	3,729	3,729
Accrued expenses	-	-	-	-	1,104	1,104
<b>Total liabilities (excluding net liabilities attributable to partners)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,833</b>	<b>4,833</b>
<b>Net assets attributable to partners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>731,680</b>	<b>731,680</b>
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>736,513</b>	<b>736,513</b>

# Notes to the Financial Statements for the Fund Partnership

2022

## 3. Financial risk management (continued)

### 3 A. Financial risk factors (continued)

#### 3.1 Market risk (continued)

##### *Cash flow and fair value interest rate risk (continued)*

The Fund Partnership's financial position and cash flows are exposed to the effects of fluctuations in the prevailing levels of market interest rates. For the year ended December 31, 2022 a decrease in interest rates by 50 basis points would have resulted in a USD0.15 decrease in profit, (December 31, 2021: USD Nil) while an increase in interest rates by 50 basis points would have resulted in USD0.27m increase in profit. (December 31, 2021: USD0.09 million).

#### 3.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Fund Partnership's exposure to credit risk is indicated by the carrying amount of its assets which consist principally of investments, receivables and cash and cash equivalents balances.

The Fund Partnership has no significant concentration of credit risk. Excess cash is held in short term cash accounts with credit worthy financial institutions (held with J.P. Morgan Chase Bank N.A. London Branch which has a credit rating of "Aa2" in 2022 (2021: "Aa2") for long term debt from the credit rating agency Moody's). The receivable balances as at December 31, 2022 and December 31, 2021 are neither past due nor impaired and are substantially due from the limited partners or affiliates. Management reviews outstanding receivables on a regular basis and believes there is no significant credit risk.

The Fund Partnership's investments are exposed to credit risk resulting from possible default by the counterparties of the relevant investment company. The counterparties would mainly include charter parties and joint venture partners. These risks are managed as follows (a) the client portfolio is analysed, systematically assessed and outstanding receivables are reviewed in a timely manner (b) joint venture partners are subject to due diligence before contracting with them; the joint venture agreements take into account the possibility of a joint venture partner not providing additional funds to the joint venture as and when required and provide a solution that deals with such instances.

#### 3.3 Liquidity risk

Liquidity risk is the risk that the Fund Partnership may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to settle investment transactions as they fall due. The Fund Partnership aims to maintain flexibility in funding by keeping adequate cash balances and by calling outstanding capital commitments from its investors as and when necessary. At December 31, 2022 outstanding commitments were USD22.48 million (December 31, 2021: USD22.48 million).

All cash flows arising from the investments held by the subsidiaries are managed and reviewed through a detailed budgeting process. These reviews are performed based on the annual budget and reviewed throughout the year on a regular basis. The Investment Advisor makes budget recommendations for each investment which are approved by the Operator and the Board of Directors of the relevant Fund Partnership subsidiaries. The Investment Advisor provides further updates and recommendations for any particular investments to the Operator when required. The Operator will then decide on the appropriate action required.

The table below summarises the Fund Partnership's financial liabilities (excluding net assets attributable to limited partners) into relevant maturity groupings based on the remaining period from the Statement of Financial Position date (and comparative period-end) to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant. The liquidity risk is limited by the fact that the Fund is closed-end and not subject to redemption demands.

# Notes to the Financial Statements for the Fund Partnership

2022

## 3. Financial risk management (continued)

### 3 A. Financial risk factors (continued)

#### 3.3 Liquidity risk (continued)

At December 31, 2022	Less than 3 months \$ 000s	3 months to 1 year \$ 000s	1 to 2 years \$ 000s	2 to 5 years \$ 000s	Over 5 years \$ 000s	Total \$ 000s
<b>Current liabilities</b>						
Amounts due to General Partner	1,064	-	-	-	-	1,064
Accrued expenses	1,187	-	-	-	-	1,187
<b>Total current liabilities</b>	<b>2,251</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,251</b>
At December 31, 2021	Less than 3 months \$ 000s	3 months to 1 year \$ 000s	1 to 2 years \$ 000s	2 to 5 years \$ 000s	Over 5 years \$ 000s	Total \$ 000s
<b>Current liabilities</b>						
Amounts due to General Partner	3,729	-	-	-	-	3,729
Accrued expenses	1,104	-	-	-	-	1,104
<b>Total current liabilities</b>	<b>4,833</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,833</b>

### 3 B. Fair value estimation

Fair value is the amount for which an asset can be exchanged or a liability settled, between knowledgeable and willing parties transacting at "arm's length". This requires the Fund Partnership to classify, for disclosure purposes, fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The adoption of this standard does not have a material impact on the financial statements of the Fund Partnership and does not require retrospective application. The fair value hierarchy has the following levels:

#### Level 1

Quoted price (unadjusted) in active markets for identical assets or liabilities.

#### Level 2

Inputs other than quoted prices included within the level that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

#### Level 3

Inputs for asset or liability that are not based on observable market data (that is, unobservable inputs).

# Notes to the Financial Statements for the Fund Partnership

2022

## 3. Financial risk management (continued)

### 3 B. Fair value estimation (continued)

The following table analyses the fair value hierarchy of the Fund Partnership's financial assets and liabilities (by class) measured at fair value as at December 31, 2022.

	Level 1 \$ 000s	Level 2 \$ 000s	Level 3 \$ 000s	Total \$ 000s
<b>Assets</b>				
Investments held at fair value through profit or loss	-	-	511,164	511,164
<b>Net financial assets and liabilities measured at fair value</b>	<b>-</b>	<b>-</b>	<b>511,164</b>	<b>511,164</b>

The following table analyses the fair value hierarchy of the Fund Partnership's financial assets and liabilities (by class) measured at fair value as at December 31, 2021.

	Level 1 \$ 000s	Level 2 \$ 000s	Level 3 \$ 000s	Total \$ 000s
<b>Assets</b>				
Investments held at fair value through profit or loss	-	-	701,539	701,539
<b>Net financial assets and liabilities measured at fair value</b>	<b>-</b>	<b>-</b>	<b>701,539</b>	<b>701,539</b>

The Fund Partnership classifies all its financial asset investments within level 3. The table of the movement in level 3 instruments for the years ended December 31, 2022 and December 31, 2021 is presented in note 4. There were no transfers between level 2 or 3 during the years presented.

### Valuation Process for Level 3 Assets

#### Overview

The Fund Partnership's Valuation Policy and Appraisal Procedures ("Policy") are applied when determining the value of investments categorized as level 3.

The Valuations Committee ("Committee"), which consists of qualified representatives from J.P. Morgan Asset Management's Global Alternatives Group, is solely responsible for overseeing and recommending valuations for each maritime investment held by the Fund Partnership. All investments are subject to a quarterly internal valuation review process using all the appropriate valuation and reporting standards such as the guidelines described in IFRS.

In order to assess level 3 valuations per the Policy, the Investment Adviser reviews the performance of the investment companies on a quarterly basis and is regularly in contact with the joint venture partners and the management of the investment companies, in order to make assessments of business and operational matters which are considered in the valuation process. The Investment Adviser reviews the quarterly net asset value of each investment company and makes fair value adjustments to any components of the net asset value, which have a carrying amount that differs from the fair value. This would typically include vessels. The vessels' values are subject to the valuation review processes listed below:

# Notes to the Financial Statements for the Fund Partnership

2022

## 3. Financial risk management (continued)

### 3 B. Fair value estimation (continued)

#### Valuation Process for Level 3 Assets (continued)

##### *Internal Valuation Review Process*

Each investment held by the Fund Partnership is screened on a quarterly basis to determine if it has experienced a change in fair value. The internal valuation process consists of the following:

1. The vessels are compared to recent market transactions when available for vessels of a similar size, age and type. These values are then adjusted for any differences in age, size, employment and quality of shipyard. These market comparables will be a primary source of market data impacting any changes in valuation.
2. In those instances where external valuations have been obtained from independent brokers, an average is taken of the value resulting from the market comparables as explained above and the average broker values. The resulting value is deemed to be the fair value of the vessel.
3. In those instances where there are no comparables for vessels held, the vessel is depreciated on a straight line basis over its useful life, and reviewed quarterly to market conditions to ensure it approximates the fair value.
4. The discounted cash flow technique is used in those instances where it is deemed to be a more meaningful representation of fair value than the process described above.

The results of the Internal Valuation Review, including quantitative valuation analysis and sector specific market overviews are presented to the Committee. This report is discussed in detail during the quarterly valuation committee meeting.

##### *External Appraisal Process*

Following the Internal Valuation Review Process, the Committee may, at its discretion, request an external appraisal to be done for any of the Fund Partnership's investments. The key steps to be undertaken by the Committee in connection with the external valuation process are:

1. Read and review the appraisal report.
2. Review any market analysis for reasonableness to market and to the historical trends.
3. Review any discussion to the asset's competitive position compared to its competitors.
4. Review any discussion of the regulatory environment and changes that have occurred that would impact the future performance of the asset.

The Committee will communicate directly with the external broker to discuss any aspects of the appraisal report.

Due to the fact that the financial statements of the Fund Partnership are being prepared on a basis other than going concern, the fair value of the investments has been adjusted to reflect the net realizable value, which takes into account costs associated with selling and liquidating the underlying investments.

# Notes to the Financial Statements for the Fund Partnership

2022

## 3. Financial risk management (continued)

### 3 B. Fair value estimation (continued)

#### Valuation Process for Level 3 Assets (continued)

##### External Appraisal Process (continued)

The sensitivity analysis below shows that a 10% decrease/increase in the value of the underlying vessel investment would cause a USD52.52 million decrease/ USD52.57 million increase in the fair value of investments held at fair value through the profit or loss.

	Fair Value - 10% \$ 000s	Fair Value as at December 31, 2022 \$ 000s	Fair Value + 10% \$ 000s
Corvair Holding A Ltd	-	-	-
Corvair Holding B Ltd	-	-	-
Dry Bulk Selene Holding Ltd	9,685	9,685	9,685
Heavy lift Sumo Holding Ltd	2,713	3,373	4,083
Proteus Holding Ltd	1,936	1,936	1,936
Centurion Holding Ltd	145,077	160,613	176,149
Dragon Investments Coöperatief U.A	176,083	201,993	227,902
Dreadnought Holding Ltd	2,286	2,286	2,286
Dakota Holding Ltd	22,963	22,963	22,963
Dynasty Holding 1 Ltd	6,720	6,720	6,720
Deadweight Holdings 1 Ltd	174	174	174
Deadweight Holdings 2 Ltd	6,621	7,181	7,740
Nautilus H Ltd	84,385	94,240	104,095
	<b>458,643</b>	<b>511,164</b>	<b>563,733</b>

In the opinion of management, the carrying values of the financial assets and liabilities are not significantly different from their net realisable values.

The following table analyses within the fair value hierarchy the Fund Partnership's assets and liabilities (by class) not measured at fair value at December 31, 2022 but for which fair value is disclosed.

	Level 1 2022 \$ 000s	Level 2 2022 \$ 000s	Level 3 2022 \$ 000s	Total 2022 \$ 000s
<b>Assets</b>				
Other receivables	-	-	868	868
Cash and cash equivalents	6,813	-	-	6,813
<b>Total</b>	<b>6,813</b>	<b>-</b>	<b>868</b>	<b>7,681</b>
<b>Liabilities</b>				
Other payables and accrued expenses	-	-	2,251	2,251
Net assets attributable to Limited Partners	-	-	516,594	516,594
<b>Total</b>	<b>-</b>	<b>-</b>	<b>518,845</b>	<b>518,845</b>

The current assets and liabilities are carried at values that reflect a reasonable approximation of their net realisable value.



# Notes to the Financial Statements for the Fund Partnership

2022

## 3. Financial risk management (continued)

### B. Fair value estimation (continued)

#### Valuation Process for Level 3 Assets (continued)

##### External Appraisal Process (continued)

The following table analyses within the fair value hierarchy the Fund Partnership's assets and liabilities (by class) not measured at fair value at December 31, 2021 but for which fair value is disclosed.

	Level 1	Level 2	Level 3	Total
	2021	2021	2021	2021
	\$ 000s	\$ 000s	\$ 000s	\$ 000s
<b>Assets</b>				
Other receivables	-	-	506	506
Cash and cash equivalents	34,468	-	-	34,468
<b>Total</b>	<b>34,468</b>	<b>-</b>	<b>506</b>	<b>34,974</b>
<b>Liabilities</b>				
Other payables and accrued expenses	-	-	4,833	4,833
Net assets attributable to Limited Partners	-	-	731,680	731,680
<b>Total</b>	<b>-</b>	<b>-</b>	<b>736,513</b>	<b>736,513</b>

## 3 C. Capital risk management

For the purpose of this section, capital means capital contributions and advance contributions.

The Fund Partnership's objective when managing capital is to safeguard the Fund Partnership's ability to continue operating in a financially viable manner and to maintain an optimal capital structure so as to maximize value and returns for the partners. In order to maintain or adjust the capital structure, the Fund Partnership will normally call additional capital from limited partners' commitments.

## 4. Investments at fair value through profit or loss

<b>2022</b>	<b>Total</b>
	<b>\$ 000s</b>
<b>Cost:</b>	
As at January 1, 2022	521,867
Additions	23,500
Return of capital from subsidiaries	(233,383)
As at December 31, 2022	311,984
<b>Fair value movement:</b>	
As at January 1, 2022	179,672
Movement in fair value through profit or loss	(9,949)
Movement in costs of disposal and liquidation	29,457
As at December 31, 2022	199,180
<b>Fair value:</b>	
As at December 31, 2022	511,164
As at December 31, 2021	701,539

# Notes to the Financial Statements for the Fund Partnership

2022

## 4. Investments at fair value through profit or loss (continued)

The Fund Partnership had the following direct interests in subsidiaries as at December 31, 2022:

Fund Partnership subsidiary	Category of vessel investments	Equity ownership %	Investment Cost \$ 000s	Investment Fair Value \$ 000s	Fair value as a % of total assets
Corvair Holding A Ltd.	-	100	41,551	-	-
Corvair Holding B Ltd.	-	100	45,113	-	-
Dry Bulk Selene Holding Ltd. <sup>5</sup>	Bulkers	100	17,811	9,685	1.87%
Heavy Lift Sumo Holding Ltd.	Bulkers	100	12,653	3,373	0.65%
Proteus Holding Ltd. <sup>1</sup>	Tankers	100	(48,964)	1,936	0.37%
Centurion Holding Ltd.	Containerships	100	92,741	160,613	30.96%
Dragon Investments					
Coöperatief U.A.	Bulkers	100	51,746	201,993	38.93%
Dreadnought Holding Ltd. <sup>2</sup>	Bulkers	100	(32,600)	2,286	0.44%
Dakota Holding Ltd. <sup>3</sup>	Bulkers	100	19,342	22,963	4.43%
Dynasty Holdings 1 Ltd.	Bulkers	100	8,497	6,720	1.30%
Deadweight Holding 1 Ltd.	Bulkers	100	6,518	174	0.03%
Deadweight Holding 2 Ltd.	Bulkers	100	14,344	7,181	1.38%
Nautilus H Ltd. <sup>4</sup>	Car carriers	100	83,232	94,240	18.16%
<b>Total Investments</b>			<b>311,984</b>	<b>511,164</b>	<b>98.52%</b>

<sup>1</sup>In June 2022 and October 2022, the Fund Partnership, through its wholly-owned subsidiary Proteus Holdings Limited, disposed of two MR tanker vessels.

<sup>2</sup>In August 2022, the Fund Partnership, through its wholly-owned subsidiary Dreadnought Holdings Ltd, disposed of four kamsarmax vessels.

<sup>3</sup>In July 2022 and in December 2022, the Fund Partnership, through its wholly-owned subsidiary Dakota Holdings Limited, disposed of two capesize vessels.

<sup>4</sup>In September 2022, the Fund Partnership, through its wholly-owned subsidiary Nautilus H Ltd's 50% joint venture, disposed of a pure car and truck carrier ("PCTC").

<sup>5</sup>In December 2022, the Fund Partnership, through its 100% owned subsidiary Dry Bulk Selene Holding Ltd ("Dry Bulk") disposed of a capesize vessel.

<h1 style="margin: 0;">Notes to the Financial Statements for the Fund Partnership</h1>	<h1 style="margin: 0;">2022</h1>
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## 4. Investments at fair value through profit or loss (continued)

<b>2021</b>	<b>Total \$ 000s</b>
<b>Cost:</b>	
As at January 1, 2021	571,648
Additions	3,750
Distributions	(53,531)
<b>As at December 31, 2021</b>	<b>521,867</b>
<b>Fair value movement:</b>	
As at January 1, 2021	(224,282)
Movement in fair value through profit or loss	437,678
Costs of disposal and liquidation	(33,724)
<b>As at December 31, 2021</b>	<b>179,672</b>
<b>Fair value:</b>	
<b>As at December 31, 2021</b>	<b>701,539</b>
<b>As at December 31, 2020</b>	<b>347,366</b>

The Fund Partnership had the following direct interests in subsidiaries as at December 31, 2021:

Fund Partnership subsidiary	Category of vessel investments	Equity ownership %	Investment Cost \$ 000s	Investment Fair Value \$ 000s	Fair value as a % of total assets
Corvair Holding A Ltd.	-	100	41,551	-	-
Corvair Holding B Ltd.	-	100	45,113	-	-
Dry Bulk Selene Holding Ltd. <sup>1</sup>	Bulkers	100	17,311	12,728	1.73%
Heavy Lift Sumo Holding Ltd.	Bulkers	100	12,653	7,039	0.96%
Proteus Holding Ltd.	Tankers	100	(9,514)	36,008	4.89%
Centurion Holding Ltd.	Containerships	100	69,741	222,019	30.14%
Dragon Investments					
Coöperatief U.A.	Bulkers	100	94,246	175,048	23.77%
Dreadnought Holding Ltd.	Bulkers	100	71,483	96,147	13.05%
Dakota Holding Ltd.	Bulkers	100	49,342	58,075	7.89%
Dynasty Holdings 1 Ltd. <sup>2</sup>	Bulkers	100	8,497	6,739	0.91%
Deadweight Holding 1 Ltd. <sup>4</sup>	Bulkers	100	15,068	8,905	1.21%
Deadweight Holding 2 Ltd.	Bulkers	100	14,344	8,854	1.20%
Nautilus H Ltd. <sup>3</sup>	Car carriers	100	92,032	69,977	9.50%
<b>Total Investments</b>			<b>521,867</b>	<b>701,539</b>	<b>95.25%</b>

<sup>1</sup>On September 8, 2021, GMIF, through its wholly owned subsidiary Dry Bulk Selene Holding Ltd ("Dry Bulk"), acquired an additional 50% interest in Selene Shipping and Trading Co Limited ("Selene") from its joint venture partner. Dry Bulk now owns 100% of Selene which owns a capsize vessel.

<sup>2</sup>Simultaneously, on September 8, 2021, GMIF, through its wholly owned subsidiary Dynasty Holdings 1 Ltd, disposed of its 50% interest in Amphitrite Shipping and Trading Co Limited, which owns an Ultramax vessel.

<sup>3</sup>Additionally, during the year ended December 31, 2021, GMIF, through its wholly-owned entity Nautilus' joint venture, disposed of three pure car and truck carriers ("PCTC").

<sup>4</sup> In December 2021, the Partnership, through its wholly owned subsidiary Deadweight Holdings 1 Ltd and through its 50% joint venture Cygnus JV, disposed of a capsize vessel.

# Notes to the Financial Statements for the Fund Partnership

2022

## 5. Limited partners' contributions and commitments

At the Statement of Financial Position date, the outstanding uncalled committed capital was as follows:

	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
Committed capital	780,328	780,328
Contributions	(779,168)	(779,168)
Recallable distributions <sup>1</sup>	21,318	21,318
Uncalled committed capital	<u>22,478</u>	<u>22,478</u>

<sup>1</sup> In September 2014, a distribution of USD24 million was made to the limited partners. Since this distribution was made during the investment period, this distribution is included in uncalled committed capital.

The cashflow impact of the contributions and distributions are reflected within the Statement of Changes in Net assets attributable to limited partners. There are no other non-cash changes relating to limited partners contributions or distributions.

The balances due from/to limited partners and affiliates are detailed below:

### Amounts due from limited partners and affiliates

	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
Due from limited partners and affiliates	868	506
	<u>868</u>	<u>506</u>

## 6. Related party transactions

The Fund Partnership, together with the Fund Partnership's General Partner, J.P. Morgan G1 (GP) Limited, J.P. Morgan Investment Management Inc. (the 'Operator') JPMorgan Asset Management (UK) Limited ('Investment Advisor'), J.P. Morgan Chase Bank N.A. London Branch (the 'Bank') and JPMorgan Chase Bank, N.A., Dublin Branch (the 'Accountant'), are related parties as they are subsidiaries or affiliates of JPMorgan Chase & Co.

### General Partner's Share ("GPS")

The Fund Partnership pays the General Partner, a GPS per annum based on commitments into the Fund Partnership. In respect of each limited partner, the GPS is 1.5 per cent per annum of: (A) during the investment period, the total commitment of that limited partner and (B) thereafter, the aggregate amount of contributions made by that limited partner with respect to any investment vessel (including contributions used to pay Fund Partnership expenses allocated to such investment) until such investment vessel is no longer owned by the Fund or has been written off, as applicable, and taking into account any write-downs in the value of such investment vessel.

In June 2020, Investor Consent was obtained in relation to the extension of the Fund Partnership. As a result of this, the term of the Fund Partnership was extended until not later than December 9, 2022. GPS was reduced by 5% for the first 12 months of such extension and by 10% (in aggregate) for the following 12 months. Since December 9, 2022 the GPS was reduced by 50%, from 1.5% per annum to 0.75% per annum.

# Notes to the Financial Statements for the Fund Partnership

2022

## 6. Related party transactions (continued)

No GPS is paid in respect of commitments made by any J.P. Morgan limited partner and J.P. Morgan employees.

As at December 31, 2022 and December 31, 2021, total commitments held by the JPMAM GI CIP LP, and J.P. Morgan employees amounted to USD22.73 million and USD22.73 million, respectively.

The total GPS for the year, and the accrued GPS due to the General Partner at the end of the year, are detailed below.

### Amounts due to General Partner

	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
Accrued GPS at the beginning of the year	3,729	8,477
GPS for the year	5,881	7,491
GPS paid during the year	(8,546)	(12,239)
Accrued GPS at the end of the year	<u>1,064</u>	<u>3,729</u>

The GPS has been expensed in the statement of comprehensive income and not treated as a profit allocation. This is mainly due to the fact that it accrues on a daily basis and is payable to the General Partner irrespective of the results of the Fund Partnership.

### Founder Limited Partner's profit share

A Founder Limited Partner's profit share is payable to the Founder Limited Partner on termination of the Fund Partnership and is accrued at the rate of USD100 for each calendar year the Founder Limited Partner remains a limited partner in the Fund. As at December 31, 2022, USD1,200 (December 31, 2021: USD1,100) was payable.

### Accounting services

The Fund has contracted JPMorgan Chase Bank, N.A., Dublin Branch to provide accounting services. The Fund Partnership incurred USD269,205 (December 31, 2021: USD220,979) relating to these accounting services. The amounts payable at the Statement of Financial Position date were USD70,120 (December 31, 2021: USD57,398).

### Disposal activity

During 2022, the Fund Partnership, through its subsidiaries, sold four vessel investments (a capesize vessel, two kamsarmax vessels, and an MR Tanker) to a subsidiary of the Global Transport Income Fund ("GTIF"). GTIF is an affiliated Fund as it is managed by JPMorgan Asset Management (Europe) Sarl and JPMorgan Asset Management (Europe) Sarl has delegated portfolio management activity to JPMorgan Asset Management (UK) Limited. The combined value of this disposal transaction was USD130.10 million.

## 7. Accrued expenses

	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
Audit fees	176	186
Other professional fees	819	771
Other operating expenses	192	147
	<u>1,187</u>	<u>1,104</u>

# Notes to the Financial Statements for the Fund Partnership

2022

## 8. Finance costs

	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
Bank charges	4	3
	<u>4</u>	<u>3</u>

## 9. Dividend and interest income

	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
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Dividend income was received from the following investments:

Dreadnought Holding Ltd	10,000	2,000
Centurion Holding Limited	14,500	13,700
Dakota Holding Ltd	5,500	3,400
	<u>30,000</u>	<u>19,100</u>

	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
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Interest income was received from the following investments:

Deadweight Holdings 1 Limited	216	-
	<u>216</u>	<u>-</u>

## 10. Other expenses

	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
Accounting fees	269	221
Audit fees	180	186
Insurance costs	181	155
Legal fees	-	122
Non-recoverable VAT	80	45
Tax compliance/advice fees	364	408
Other expenses	-	67
	<u>1,074</u>	<u>1,204</u>

## 11. Income tax

The Fund Partnership is income tax transparent for the purposes of UK taxation.

# Notes to the Financial Statements for the Fund Partnership

2022

## 12. Commitments and contingencies

### Guarantees

As at December 31, 2022, the Fund Partnership and its subsidiaries issued guarantees of USD87.34 million (December 31, 2021: USD234.01 million) relating to credit facilities secured by its subsidiaries and its joint ventures.

As at December 31, 2022 and December 31, 2021 no provision was made in respect of any of these guarantees.

Fund Partnership subsidiary	December 31, 2022 \$ 000s	December 31, 2021 \$ 000s
Dry Bulk Selene Holding Ltd.	-	15,514
Proteus Holding Ltd.	-	14,235
Centurion Holding Ltd.	-	51,225
Dragon Investments Coöperatief U.A.	87,344	99,896
Dreadnought Holding Ltd.	-	9,784
Dakota Holding Ltd.	-	42,768
Dynasty Holdings 1 Ltd.	-	-
Deadweight Holding 1 Ltd.	-	-
Deadweight Holding 2 Ltd.	-	591
<b>Total Guarantees</b>	<b>87,344</b>	<b>234,013</b>

## 13. Changes in working capital

### For the year ended December 31, 2022:

	Balance as at December 31, 2022 \$ 000s	Balance as at December 31, 2021 \$ 000s	Change in working capital \$ 000s
Amounts due from limited partners and affiliates	(839)	(477)	(362)
Prepayments	-	-	-
Trade and other payables	-	-	-
Amounts due to General Partner	1,064	3,729	(2,665)
Accrued expenses	1,187	1,104	83
	<b>1,412</b>	<b>4,356</b>	<b>(2,944)</b>

### For the year ended December 31, 2021:

	Balance as at December 31, 2021 \$ 000s	Balance as at December 31, 2020 \$ 000s	Change in working capital \$ 000s
Amounts due from limited partners and affiliates	(477)	(446)	(31)
Prepayments	-	(4)	4
Trade and other payables	-	186	(186)
Amounts due to General Partner	3,729	8,477	(4,748)
Accrued expenses	1,104	780	324
	<b>4,356</b>	<b>8,993</b>	<b>(4,637)</b>

# Notes to the Financial Statements for the Fund Partnership

2022

## 14. Events after the date of the statement of financial position

### *Investment Disposals*

In February 2023, the Fund partnership, through its wholly-owned subsidiary Centurion Holding Limited, sold its 50% interest in a joint venture holding twelve containership vessels.

In March 2023, the Fund Partnership, through its wholly-owned subsidiary Deadweight Holding 2 Limited's 50% joint venture, sold one capesize vessel.

In March 2023, the Fund Partnership, through its wholly-owned subsidiary Nautilus H Ltd's joint venture, sold its 50% interest in the Norwegian group, Norwegian Car Carriers AS, to an affiliated Fund, GTIF, for a value of USD93.50 million.

### *Distributions*

In February 2023, the Fund Partnership made a distribution of USD77 million to its limited partners. This distribution related to net distributable cash generated from vessel investments, proceeds from the refinancing of vessel investments and proceeds from the sale of three vessels.

In March 2023, the Fund Partnership made a distribution of USD174 million to its limited partners. This distribution related to net distributable cash generated from vessel investments, and proceeds from the sale of the Fund Partnership's investment in a 50% joint venture owning twelve containership vessels.

## 15. Ultimate controlling party

In the opinion of the directors of the General Partner, there is no ultimate controlling party.

## 16. Approval for financial statements

The financial statements were authorized for issue by the General Partner on April 27, 2023.



# Supplemental information to the Annual Financial Statements for the Fund Partnership - Unaudited

2022

## Statement of consolidated investments held For the quarter ended December 31, 2022 (Unaudited)

Investments	Net cost <sup>1</sup> \$ 000s	Opening fair value \$ 000s	Quarterly Movement			Realised and Unrealised fair value movement \$ 000s	Closing fair value \$ 000s
			Additions/ (distributions) \$ 000s	Net operating income/(loss) \$ 000s	Distributions \$ 000s		
Corvair Holding A Ltd.	41,551	-	-	-	-	-	-
Corvair Holding B Ltd.	45,113	-	-	-	-	-	-
Dry Bulk Selexie Holding Ltd.	17,811	9,600	500	309	-	(724)	9,685
Heavy Lift Sumo Holding Ltd.	12,653	4,241	-	(458)	-	(410)	3,373
Proteus Holding Ltd.	(48,964)	25,381	(23,950)	(147)	-	652	1,936
Centurion Holding Ltd.	92,741	191,212	23,000	9,846	-	(63,445)	160,613
Dragon Investments Coöperatief U.A.	51,746	189,570	-	12,612	-	(189)	201,993
Dreadnought Holding Ltd.	(32,600)	2,422	-	(219)	-	83	2,286
Dakota Holding Ltd.	19,342	26,881	-	763	-	(4,681)	22,963
Dynasty Holdings 1 Ltd.	8,497	6,724	-	(4)	-	-	6,720
Deadweight Holding 1 Ltd.	6,518	101	-	5	-	68	174
Deadweight Holding 2 Ltd.	14,344	8,493	-	715	-	(2,027)	7,181
Nautilus H Ltd.	83,232	102,059	(8,800)	(156)	-	1,137	94,240
<b>Total</b>	<b>311,984</b>	<b>566,684</b>	<b>(9,250)</b>	<b>23,266</b>	<b>-</b>	<b>(69,536)</b>	<b>511,164</b>

<sup>1</sup>Net cost includes the Fund Partnership's cost of investment in the equity of the subsidiary less loans from subsidiary.

# Supplemental information to the Annual Financial Statements for the Fund Partnership - Unaudited

2022

## Statement of consolidated investments held For the year ended December 31, 2022 (Unaudited)

Investments	Year to date movement					
	Net cost <sup>1</sup>	Opening fair value	Additions/ (distributions)	Net operating income/(loss)	Realised and Unrealised	
					Distributions	Unrealised fair value movement
	\$ 000s	\$ 000s	\$ 000s	\$ 000s	\$ 000s	Closing fair value
Corvair Holding A Ltd.	41,551	-	-	-	-	-
Corvair Holding B Ltd.	45,113	-	-	-	-	-
Dry Bulk Selene Holding Ltd.	17,811	12,728	500	2,395	-	9,685
Heavy Lift Sumo Holding Ltd.	12,653	7,039	-	290	-	3,373
Proteus Holding Ltd.	(48,964)	36,008	(39,450)	3,731	-	1,936
Centurion Holding Ltd.	92,741	222,019	23,000	41,810	(14,500)	160,613
Dragon Investments Coopératief U.A.	51,746	175,048	(42,500)	74,706	-	201,993
Dreadnought Holding Ltd.	(32,600)	96,147	(104,083)	13,839	(10,000)	2,286
Dakota Holding Ltd.	19,342	58,075	(30,000)	7,048	(5,500)	22,963
Dynasty Holdings 1 Ltd.	8,497	6,739	-	(19)	-	6,720
Deadweight Holding 1 Ltd.	6,518	8,905	(8,550)	(33)	(216)	174
Deadweight Holding 2 Ltd.	14,344	8,854	-	2,058	-	7,181
Nautilus II Ltd.	83,232	69,977	(8,800)	(246)	-	94,240
Total	311,984	701,539	(209,883)	145,579	(30,216)	511,164

<sup>1</sup>Net cost includes the Fund Partnership's cost of investment in the equity of the subsidiary less loans from subsidiary

Supplemental information to the Annual Financial Statements for the Fund Partnership - Unaudited	2022
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**Global Maritime Investment Fund LP**

**Statement of changes in net assets  
for the quarter ended December 31, 2022 (Unaudited)**

	Feeder LP \$ 000s	Feeder LLC (Including Intermediate LP)* \$ 000s	JPMAM G1 CIP LP \$ 000s	Other Limited Partners \$ 000s	Total - Fund Partnership \$ 000s
<b>Fund Partnership net assets as at October 1, 2022</b>	224,002	470,154	24,338	43,629	762,123
Contributions	-	-	-	-	-
Distributions	(57,710)	(121,124)	(7,906)	(11,260)	(198,000)
<b>Net change in net assets resulting from contributions and distributions</b>	<b>166,292</b>	<b>349,030</b>	<b>16,432</b>	<b>32,369</b>	<b>564,123</b>
Net loss, gross of management fees - master fund	(57)	(120)	(6)	(12)	(195)
Management fees	(323)	(678)	-	(63)	(1,064)
Net change in fair value of investments at fair value through profit or loss	(13,640)	(28,628)	(1,348)	(2,654)	(46,270)
<b>Net change in net assets resulting from operations</b>	<b>(14,020)</b>	<b>(29,426)</b>	<b>(1,354)</b>	<b>(2,729)</b>	<b>(47,529)</b>
<b>Fund Partnership net assets as at December 31, 2022</b>	<b>152,272</b>	<b>319,604</b>	<b>15,078</b>	<b>29,640</b>	<b>516,594</b>
Net loss for Feeder Funds					
For the periods up to October 1, 2022	(173)	(314)			
For the quarter ended December 31, 2022	(1)	(3)			
<b>Feeder Funds' net assets as at December 31, 2022</b>	<b>152,098</b>	<b>319,287</b>			

\* Intermediate LP is a 100% owned entity of Feeder LLC that in turn invests in the Fund Partnership.

Supplemental information to the Annual Financial Statements for the Fund Partnership - Unaudited	2022
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**Global Maritime Investment Fund LP**

**Statement of changes in net assets  
for the year ended December 31, 2022 (Unaudited)**

	Feeder LP \$ 000s	Feeder LLC (Including Intermediate LP)* \$ 000s	JPMAM G1 CIP LP \$ 000s	Other Limited Partners \$ 000s	Total - Fund Partnership \$ 000s
<b>Fund Partnership net assets as at January 1, 2022</b>	215,071	451,410	23,311	41,888	731,680
Contributions	-	-	-	-	-
Distributions	(75,397)	(158,247)	(9,654)	(14,702)	(258,000)
<b>Net change in net assets resulting from contributions and distributions</b>	<b>139,674</b>	<b>293,163</b>	<b>13,657</b>	<b>27,186</b>	<b>473,680</b>
Net income gross of management fees - master fund	8,634	18,121	853	1,679	29,287
Management fees	(1,786)	(3,750)	-	(345)	(5,881)
Net change in fair value of investments at fair value through profit or loss	5,750	12,070	568	1,120	19,508
<b>Net change in net assets resulting from operations</b>	<b>12,598</b>	<b>26,441</b>	<b>1,421</b>	<b>2,454</b>	<b>42,914</b>
<b>Fund Partnership net assets as at December 31, 2022</b>	<b>152,272</b>	<b>319,604</b>	<b>15,078</b>	<b>29,640</b>	<b>516,594</b>
Net loss for Feeder Funds					
For the periods up to January 1, 2022	(159)	(292)			
For the twelve months ended December 31, 2022	(15)	(25)			
<b>Feeder Funds' net assets as at December 31, 2022</b>	<b>152,098</b>	<b>319,287</b>			

\* Intermediate LP is a 100% owned entity of Feeder LLC that in turn invests in the Fund Partnership.