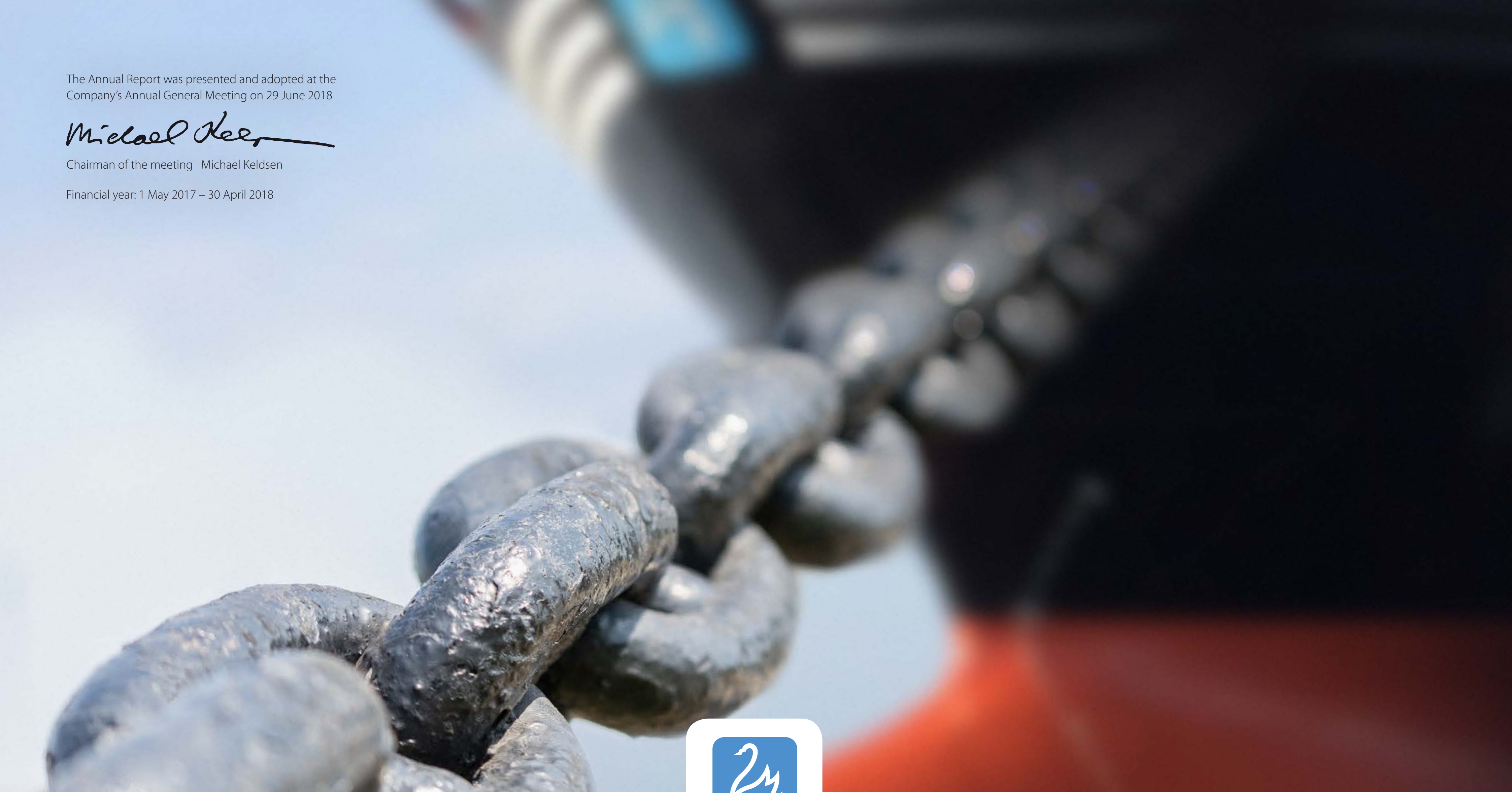
The Annual Report was presented and adopted at the Company's Annual General Meeting on 29 June 2018

Chairman of the meeting Michael Keldsen

Financial year: 1 May 2017 – 30 April 2018



UNI-TANKERS

ANNUAL REPORT 2017/18

Turbinevej 10, 5500 Middelfart, Denmark · Telephone +45 88 61 88 61 · uni-tankers.com · Company reg. no. 12 56 07 96

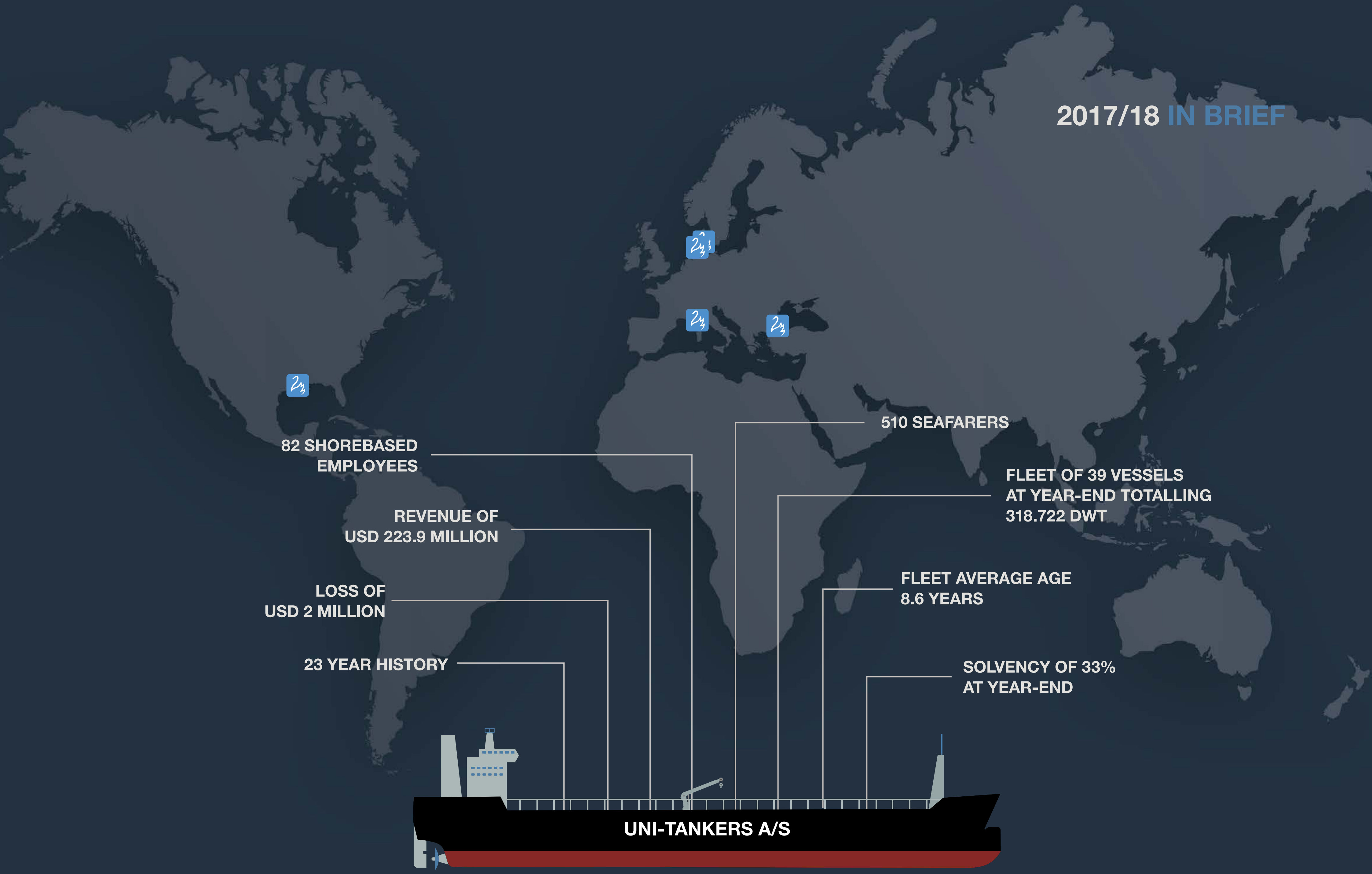
CONTENTS

Uni-Tankers is a leading tanker shipping company trading worldwide in the intermediate and small tanker segment and carrying a wide range of liquid cargo from high-grade chemicals and refined oil products to fertilisers and vegetable oils. The parent company, Uni-Tankers A/S, was established in 1995 and has since then with pride served the oil majors and other global customers.

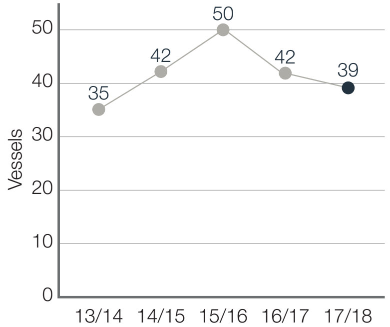
Headquarters are based in Middelfart, Denmark, and commercial activities are carried out under the Uni-Chartering brand having local offices in Aalborg (Denmark), Nice (France), Istanbul (Turkey) and Houston (USA).

Uni-Tankers A/S is controlled by the Middelfart based shipping conglomerate, A/S United Shipping and Trading Company.

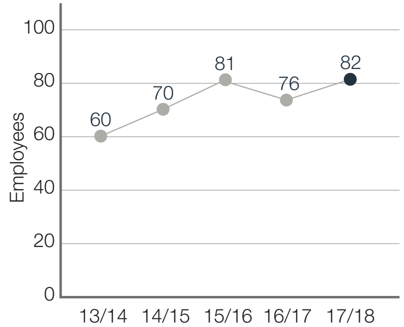
2017/18 IN BRIEF



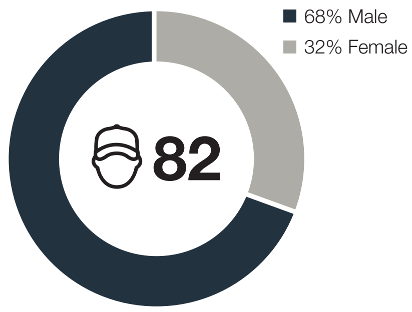
KEY FIGURES AND FINANCIAL RATIOS



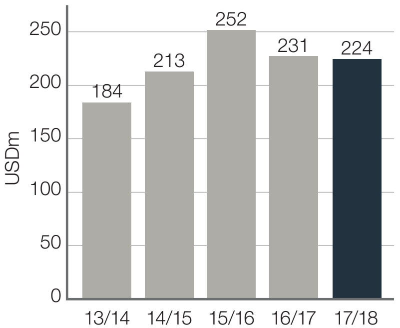
Fleet of owned and time chartered vessels



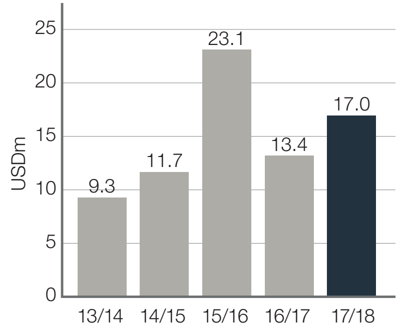
Shorebased employees



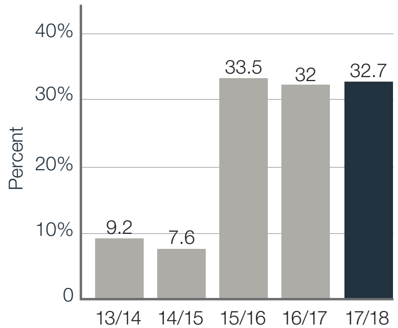
Shorebased employees Gender split 2017/18



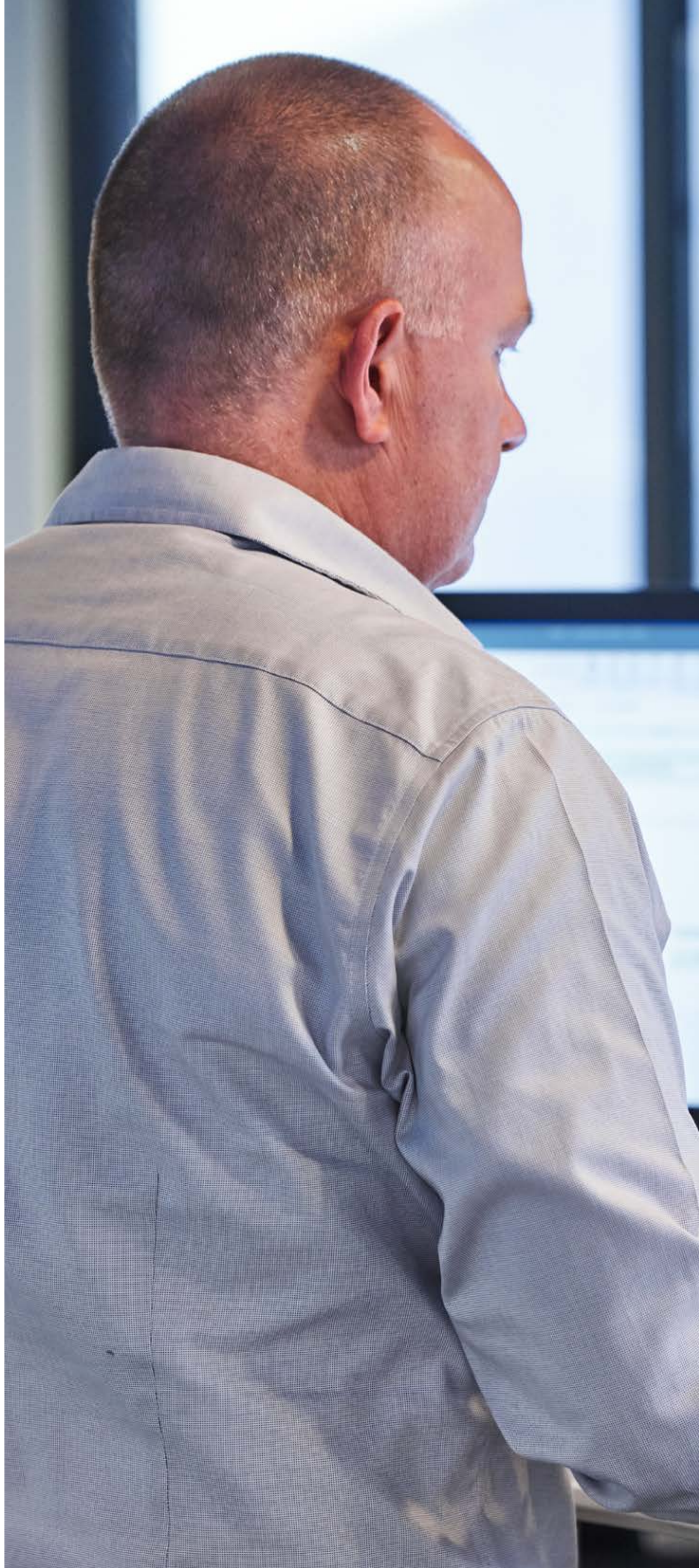
Revenue

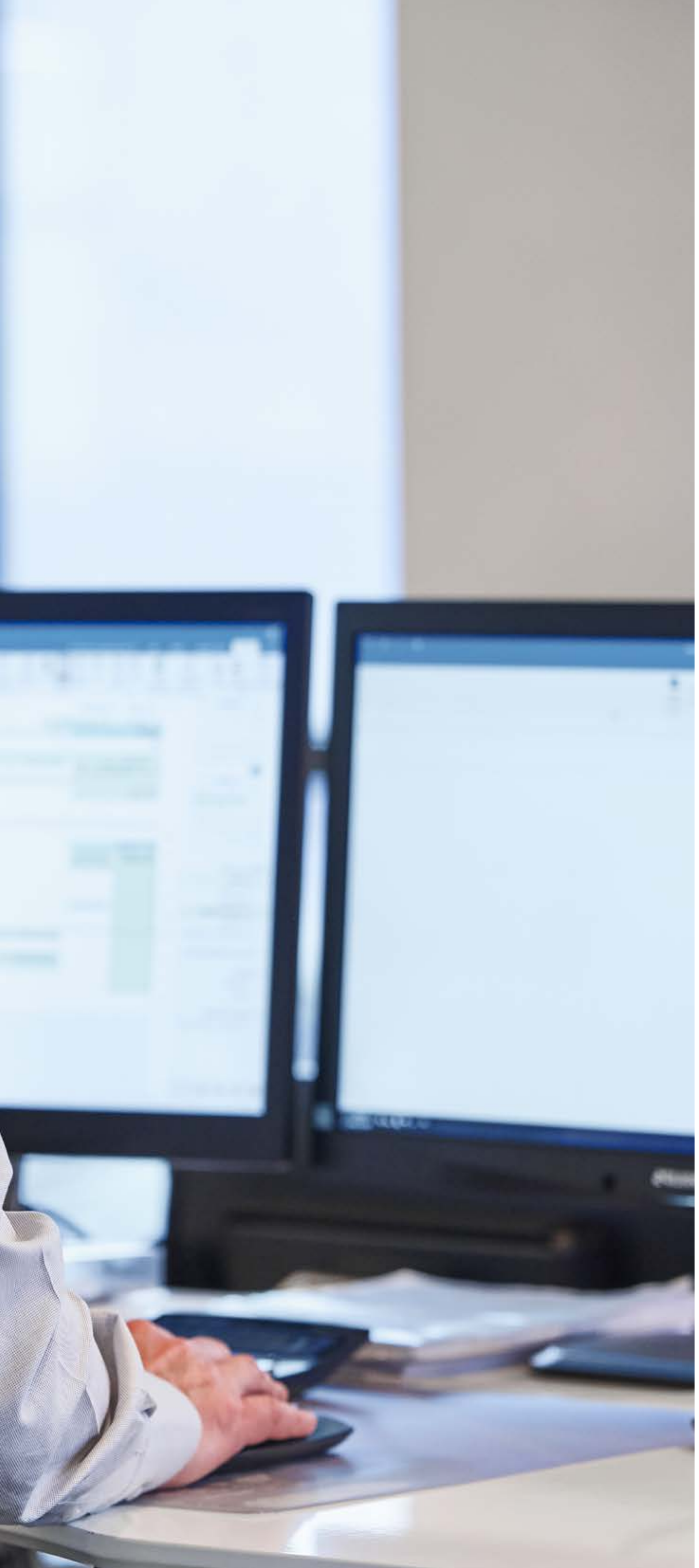


Cash flow from operating activities



Solvency ratio %





USD '000	2017/18	2016/17	2015/16	2014/15	2013/14
Key figures					
Income statement					
Revenue	223,901	231,387	251,968	212,770	183,971
Profit before financial income and expenses	1,350	(4,760)	16,205	1,769	6,331
Net financials	(4,581)	(5,544)	(5,726)	(7,387)	(5,719)
Profit before tax	(3,231)	(10,304)	10,479	(5,618)	612
Net profit for the year	(2,028)	(8,981)	12,137	(4,512)	1,534
Balance sheet					
Balance sheet total	250,240	259,308	276,226	263,668	266,264
Equity	81,727	82,914	92,651	20,074	24,578
Cash flows					
Cash flows from:					
- operating activities	17,042	13,424	23,108	11,688	9,329
- investing activities	(9,598)	(12,517)	(14,173)	(11,116)	(19,141)
hereof investment in property, plant and equipment and intangible assets	(9,598)	(12,537)	(14,191)	(11,135)	(33,072)
- financing activities	(8,000)	(8,000)	949	(900)	4,978
Change in cash and cash equivalents for the year	(557)	(7,093)	9,883	(328)	(4,834)
Employees	592	595	592	567	569
Ratios					
Gross margin	29.7%	27.5%	33.3%	30.0%	37.3%
Profit margin	0.6%	(2.1%)	6.4%	0.8%	3.4%
Return on equity	(2.5%)	(10.2%)	21.5%	(20.2%)	8.0%
Liquidity ratio	1.60	1.56	1.88	1.08	1.41
Solvency ratio	32.7%	32.0%	33.5%	7.6%	9.2%

For definitions, see under accounting policies (page 33)

EXECUTIVE MANAGEMENT

From left:
Thomas Thomsen, Chief Financial Officer (CFO)
Torben Andersen, Chief Executive Officer (CEO)
Per Ekmann, Chief Commercial Officer (CCO)

MANAGEMENT REVIEW

HIGHLIGHTS OF THE FINANCIAL YEAR 2017/18

On the back of a very difficult year in 2016/17 and a strong focus on the Group's core business the net result for 2017/18 was significantly improved by USD 7 million compared to last year.

The Group's result is below expectations prior to the beginning of the year as the market conditions remained to be difficult with overcapacity and volatile bunker prices keeping the freight rates under pressure.

However, the Group's EBITDA has been improved by more than 30% compared to last year – driven by improved Time Charter Equivalent (TCE) earnings and a significant reduction of operating cost. A strategic focus on commercial excellence and core business has started to pay off and we have seen a slightly increased activity from our contract activities in both numbers of contracts (CoAs) and in output from CoAs. Further, we have moved three of our larger vessels above 15,000 dwt to a new pool cooperation.

At the beginning of the financial year 2017/18 a target was set to reduce our operating cost without compromising on quality, safety and performance. The achieved savings on operating cost as well as on overhead cost for the financial year 2017/18 was USD 2.1 million.

Our fleet has continuously been adjusted to adapt to the current market conditions – and to the best fit of the needs of our customers. The activity measured in ship days decreased by 9% to 14,320 ship days in 2017/18. At the end of the financial year, the fleet counts 39 vessels (42 vessels) – 17 owned and 22 time chartered vessels.

The 39 vessels have a total capacity of 318,722 dwt (343,257 dwt) and the average age is 8.59 years (8.71 years) which places our fleet among the youngest in our core markets. During the year 2 new buildings have been added to the TC fleet.

Several initiatives, such as 'Road Shows' and opening of temporary 'Pop-Up-offices' in main shipping hubs around the world have taken place during the year to support the strategic focus area *'Closer to Customers'* and further improve our commercial performance.

Another strategic focus area named *'Operational Excellence'* has been developed by streamlining processes throughout the Group's internal value chain during the financial year. Among others new processes for key account management have been implemented including optimised planning of dry-docking of vessels and operational planning of port turnarounds.

"On the back of a very difficult year in 2016/17 and a strong focus on the Group's core business the net result for 2017/18 was significantly improved by USD 7 million compared to last year.

To further develop an agile business approach and meet our vision: *'We set world standards in efficient and safe shipping to become the no. 1 oil and chemical tanker operator in our core markets'*, efforts on implementing the Group's strategy continued during 2017/18.

Initiatives to implement the strategy throughout the organisation has thus been conducted at workshops on all organisational levels and at all offices and vessels during 2017/18.

The *Tanker Management and Self Assessment (TMSA)* program provides the Group with means to improve and measure our own safety management. To continue to be top-performing and meet the strictest demands of our core customers (major oil- and chemical-companies), the Group has initiated the process of taking the TMSA 3 program to stage 3 in the coming year.

In addition to the above, the continued digitisation is also on top of the Group' strategic agenda for the years to come.

To further develop the shore-based organisation and secure best-in-class skills in relation to office functions and management, the Group has strengthened the organisation by establishing a new HR function. Further, the cooperation with Crewing Academy in the Philippines has been strengthened to attract and retain the best seafarers. Seminars for senior and junior officers has been conducted as an ongoing development and training of our seagoing staff.

OUTLOOK FOR 2018/19

By continued strong focus on deliveries according to the strategy, the Group expects to further position itself as a leading operator of intermediate and small tanker vessels.

After closing the financial year 2017/18 the Group has added 3 vessels to the TC fleet increasing the fleet to a total of 42 vessels.

As a worldwide operator, the Group's results are highly affected by political turmoil and the general development in the global economy. The outlook for global economy and world trade remains to be volatile and uncertain and the imbalance between demand and supply due to overcapacity of vessels in the Group's segments further continue to bring a high degree of uncertainty to the expected forward-looking development – although the imbalance in our core markets seems to be decreasing as supply of newbuild tonnage is limited. In addition, the fluctuations of oil price may continue to have significant impact on the expected results.

During the last month of the financial year 2017/18, the freight market slightly increased and the Group expects the market conditions for transport of chemicals and oil products to further gradually improve during the financial year 2018/19.

“

By continued strong focus on deliveries according to the strategy, the Group expects to further position itself as a leading operator of intermediate and small tanker vessels in the year to come.

Based on the current market conditions and outlook expectations for next year, the Group expects a slightly positive full year result.

Subsequent events

No signficant events affecting the assessment of the Annual Report have occured after the balance sheet date.

RISK MANAGEMENT

Market risks

The Group is exposed to the commercial risks that follow from the general freight market fluctuations. The commercial risk for the Group's vessels operated in a time charter equivalent (TCE) sharing pool is considered reduced compared to operating the vessels in the spot market. Focus is on maintaining a healthy balance between spot market business and covered business, being by Contracts of Affreightment, time charters etc.

The Group's fleet of 39 vessels consist of 44% own vessels and 56% time chartered vessels. As the time charter hire is fixed over the charter period, the Group is exposed to the commercial risk of a falling market as well as other commercial risks. The Group's policy is to mitigate the risk by balancing short-term, medium-term and long-term charter hire periods.

Foreign exchange risks

Having USD as its presentation currency, the Group is affected by transactions taking place mainly in EUR and DKK.

Uni-Tankers' headquarters in Middelfart, Denmark

M/T Jutlandia Swan

> *“We set world standards in efficient and safe shipping to become the no. 1 oil and chemical tanker operator in our core markets*

The Group is striving to match cash inflows and cash outflows in currencies other than USD.

Commodity risks

In addition to time charter expenses, bunker fuel is the main cost element affecting Direct Expenses, and thus the Group is heavily exposed to changes in oil prices.

The Group targets to mitigate the risk by passing on bunker price increases to customers. In the spot market, the freight level is to the extent possible adjusted to reflect the current bunker price level. When entering into Contracts of Affreightment with customers, the bunker price risk is either covered by including bunker price clauses indexing freight rates with current bunker price levels or by hedging the exposure by use of financial derivatives.

Counterparty risk

The Group is not exposed to any material risks relating to individual, large customers or business partners. The Group's policy for assuming credit risks implies that all customers and business partners are subject to current credit rating.

It is the Group's policy to require payment before or upon cargo release, while only customers with high credit rating and with whom the Group has a long lasting good relationship, are accepted to pay after cargo release. The Group has not suffered any material losses from defaulting customers in 2017/18.

Interest rate risk

The Group's ship loans are denominated in USD and carry floating interest rate. The management is continuously monitoring the development in floating interest rates.

STATUTORY STATEMENT ON CORPORATE SOCIAL RESPONSIBILITY IN ACCORDANCE WITH SECTION 99A OF THE DANISH FINANCIAL STATEMENTS ACT

The Group's policies for Corporate Social Responsibility are disclosed in the Financial Statements of the parent company A/S United Shipping & Trading Company for 2017/18.

REPORT ON THE GENDER REPRESENTATION IN MANAGEMENT, CF. SECTION 99B OF THE DANISH FINANCIAL STATEMENTS ACT

Targets for the under-represented gender on the Board of Directors

Today the percentage of female members of the board elected by the shareholder's committee is 12.5%. The gender composition in the Board of Directors did not change in 2017/18 as the members were re-elected at the general assembly. Uni-Tankers A/S's target for female members of the Board of Directors is 35% in 2020.

To obtain this position, Uni-Tankers A/S will ensure to have the under-represented gender on the list of candidates, however reserves the right to decide on the most qualified candidate regardless of gender.

Policy for the under-represented gender at other management levels

The policy of the Group is that the employees, irrespective of gender, must have equal career and management opportunities and that the Group will have an open-minded and unprejudiced culture in which the individual employee can make the best possible use of his or her skills irrespective of gender. The Group's internal management training is open to anyone with the right skills, regardless of gender.

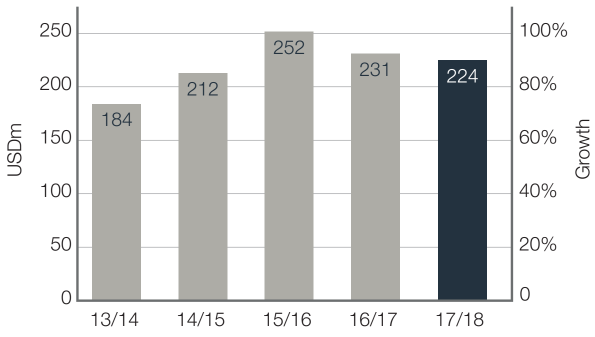
Efforts to increase share of under-represented gender is disclosed in the Financial Statements of the parent company A/S United Shipping & Trading Company for 2017/18.

FINANCIAL REVIEW

Comparative figures for 2016/17 are stated in brackets.

Operating activities

Revenue decreased by 3% to USD 223.9 million (USD 231.4 million) mainly due to a decrease in ship days of 9%. Revenue adjusted by decrease in ship days shows an increase of 6% compared to last year.



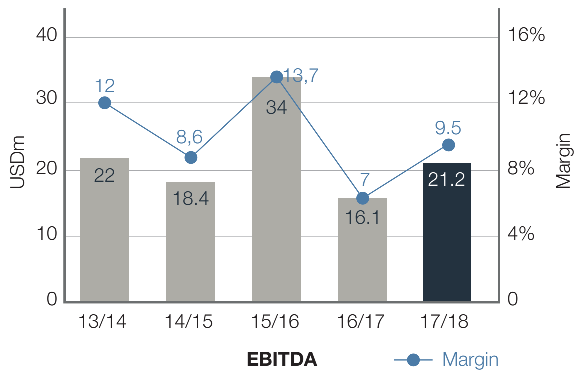
Revenue and Growth

Direct expenses decreased to USD 157.4 million (USD 167.8 million). Direct expenses consist of bunkers, port expenses and other voyage expenses and hire payments for time chartered vessels. The main reason for the decrease in direct expenses is decreased time charter hire expenses.

Gross profit for the year increased by USD 2.9 million up to USD 66.5 million (63.6 million).

Staff and other external expenses decreased to USD 45.4 million (USD 47.5 million) driven by a strong focus on reducing cost.

By increased gross profit and reduced operating expenses EBITDA was improved by 31% or USD 5.1 million to USD 21.2 million (USD 16.1 million).



EBITDA

Depreciation and amortisation decreased to USD 19.8 million (USD 20.9 million) due to lower depreciation costs on vessels' dockings.

Net financial expenses amounted to USD 4.6 million (USD 5.5 million), primarily due to exchange rate adjustments offset by increased interest cost on vessel loans.

Net result after tax for 2017/18 was a loss of USD 2.0 million (loss of USD 9.0 million).

Balance sheet and capital position

At 30 April 2018, total assets amounted to USD 250.2 million (USD 259.3 million).

Vessels

Book value of vessels and equipment decreased to USD 201.1 million (USD 210.5 million) due to depreciations exceeding capital expenditure for dockings. Nine of the Group's owned vessels have been dry-docked for repair works and statutory surveys, amounting in total investments of USD 9.3 million (USD 12.4 million), while ordinary depreciation amounted to USD 18.8 million (USD 19.7 million).

Brokers' vessel valuations have decreased slightly during the year and remain to reflect a lower net selling price of the fleet than book value. In management's opinion, such valuations do not give a true and fair view in a long-term perspective as the market for trade with vessels such as those owned by the Group remains to be not very active. In accordance with the accounting policies applied, an impairment test has been made as in previous years by comparing the booked value with the broker valuations and the calculated value in use based on continued operation of the Group's fleet stated as the net present value of future estimated net freight income.

The value in use of vessels is heavily affected by the development in freight rates, which is still subject to material uncertainty. Deviations in freight rates according to the managements' estimates will thus affect the value in use in either positive or negative direction.

Management have made their best estimate over development in freight rates etc. and consider the assumptions reasonable.

The impairment test has not resulted in need for write downs on the Group's fleet.

Equity

At 30 April 2018, equity was USD 81.7 million (USD 82.9 million) decreased only by loss for the year of USD 2 million and exchange rate adjustments of USD 0.1 million, and increased by adjustment of hedging instruments of USD 0.9 million. The solvency rate at 30 April 2018 is 32.7% (32.0%).

Debt to credit institutions

Total debt to credit institutions decreased to USD 147.5 million (USD 155.2 million) following ordinary loan prepayments.

Cash flow and financial resources

The Group's cash flow from operating activities increased to USD 17.0 million (USD 13.4 million) reflecting the higher EBITDA and a positive change in working capital of USD 0.2 million (USD 2.5 million).

Investing activities affected cash flows negatively by USD 9.6 million (USD 12.5 million) primarily comprising docking expenses and other investments in vessels.

Financing activities has a negative cash effect of USD 8 million (USD 8 million).

Cash and cash equivalents decreased by USD 0.5 million in 2017/18 to USD 12.8 million (USD 13.3 million).

The financing agreement with Danske Bank is effective until end of April 2021 and management considers the current capital resources and liquidity adequate for the continued operations and further development of the Group.

BOARD OF DIRECTORS

Torben Østergaard-Nielsen
Chairman

Born in 1954.
Chairman since 2014.
CEO, founder and owner of the USTC Group (A/S United Shipping & Trading Company).

Special competences
Extensive background and global experience within the shipping industry.

Other directorships
Chairman and member of the boards in most USTC Group companies. Member of the boards in FAYARD Holding A/S, Fiberline Composites A/S, H.J. Hansen Holding A/S, Gottfred Petersen Holding A/S and Selected Car Leasing A/S. Chairman of the board in Middelfart Bycenter A/S.

Other
German Honorary Consul since 1988, member of Corps Consulaire since 1988. Member of Nykredit Regionsråd and member of Danske Bank Erhvervsråd.

Klaus Nyborg
Vice Chairman

Born in 1963.
Board member since 2012 and Vice Chairman since 2014.
Professional board member and investor.

Special competences
Global experience with management of listed shipping companies incl. CEO of Pacific Basin Shipping, Hong Kong. Strategic and financial expertise as well as in-depth knowledge of risk management.

Other directorships
Chairman of the boards in Norden A/S, Bawat A/S and Dliver Group ApS. Vice Chairman of the board in Bunker Holding A/S. Member of the boards in Odfjell SE, Karen og Poul F. Hansens Familiefond, X- Press Feeders Ltd. and DFDS A/S.

Education
MSc in Business & Law, Copenhagen Business School supplemented with management courses at London Business School and IMD.

Peter Korsholm
Board member

Born in 1971.
Board member since 2014.
Professional board member and investor.

Special competences
Extensive experience from private equity and developing international companies, as well as mergers & acquisitions, financing and management of financial risks.

Other directorships
Chairman of the boards in Lomax A/S, GDL Transport AB, Nymølle Stenindustrier A/S and the Investment Committee of Zoscales Partners. Member of the boards in A/S United Shipping & Trading Company, Bunker Holding A/S, DSV Invest A/S and certain subsidiaries, Bones Restauranter A/S, and Ørsted A/S.

Education
MBA from INSEAD, MSc from London School of Economics. BA from University of Copenhagen.

Torben Janholt
Board member

Born in 1946.
Board member since 2006.
CEO, Pioneer Marine.

Special competences
Extensive background and global experience within the shipping industry, primarily through his 28 years with J. Lauritzen A/S, the last 14 years as CEO, and as chairman of the Danish Shipowners' Association from 2005-2009.

Other directorships
Chairman of the board in Otto Suenson A/S. Member of the boards in A/S United Shipping & Trading Company, Bunker Holding A/S, Torm A/S and Pioneer Marine Pty.

Education
Bachelor of Commerce supplemented with executive management training at IMD and IESE.

Peter Frederiksen
Board member

Born in 1963.
Board member since 2012.
Professional board member.

Special competences
Extensive experience within the shipping industry from leading global positions in liner shipping at A.P. Møller Mærsk for more than 25 years and Hamburg Süd for 9 years. Broad management and strategy skills as well as financial experience.

Other directorships
Chairman of the boards in Sund & Bælt Holding A/S, A/S Storebælt, A/S Øresund, Oeresund Konsortiet, Femern A/S and A/S Femern Landanlæg. Member of the boards in A/S United Shipping & Trading Company and Bunker Holding A/S.

Education
Shipping education at A.P. Møller Mærsk supplemented with management training at INSEAD and Cornell University.

Nina Østergaard Borris
Board member

Born in 1983.
Board member since 2014.
Executive Assistant, Bunker Holding A/S.

Special competences
Company evaluations, mergers and acquisitions, financial due diligence business restructuring, reorganization, turnarounds.

Other directorships
Member of the boards in A/S United Shipping & Trading Company and SDK A/S.

Education
Master degree in applied economics and finance (Cand.merc. AEF)

Michael Keldsen
Board member

Born in 1950.
Board member since 1991.
Chairman of the board from 2005-2014.
Of Counsel, Gorrissen Federspiel law firm.

Special competences
In-depth knowledge and experience within corporate and foundation/trust law as well as mergers and acquisitions and shipbuilding contracts.

Other directorships
Member of the boards in A/S United Shipping & Trading Company, Bunker Holding A/S, SDK A/S, Iron Pump A/S, Nemco Machinery A/S, Autronica Fire & Security A/S, Stanley Nordic Aps and Better CPH A/S.

Education
LL.M. (Master of Law), Copenhagen.

Morten H. Buchgreitz
Board member

Born in 1967.
Board member since 2014.
Member of the Group Executive Management of Ørsted A/S (Distribution and Customer Solutions).

Special competences
Extensive and in-depth knowledge and experience within economics and finance, including credit and risk management.

Other directorships
Chairman and member of the boards in several Ørsted Group companies. Vice Chairman of the board in Danish Energy Association. Member of the boards in A/S United Shipping & Trading Company and Bunker Holding A/S.

Education
MSc in Business Administration and Computer Science.


HALV
FULD
BAK
HOOGEZAND
HOLLAND

INCOME STATEMENT
1 MAY - 30 APRIL

		Group		Parent Company	
USD '000	Note	2017/18	2016/17	2017/18	2016/17
Revenue	1	**223,901**	**231,387**	**26,219**	**27,004**
Direct expenses		(157,365)	(167,750)	0	0
Gross profit		**66,536**	**63,637**	**26,219**	**27,004**
Staff expenses	2	(28,523)	(28,686)	(23,560)	(23,695)
Other external expenses		(16,848)	(18,816)	(2,584)	(3,081)
Profit/loss before depreciation, etc, (EBITDA)		**21,165**	**16,135**	**75**	**228**
Depreciation and amortisation	7+8	(19,815)	(20,895)	(381)	(508)
Profit/loss before financial income and expenses		**1,350**	**(4,760)**	**(306)**	**(280)**
Result in subsidiaries		-	-	(3,366)	(10,055)
Financial income	3	1,281	47	2,389	1,853
Financial expenses	4	(5,862)	(5,591)	(197)	(60)
Profit/loss before tax		**(3,231)**	**(10,304)**	**(1,480)**	**(8,542)**
Corporation tax	5	1,203	1,323	(548)	(439)
Net profit/loss for the year		**(2,028)**	**(8,981)**	**(2,028)**	**(8,981)**
Distribution of profit/loss	6				

BALANCE SHEET AT 30 APRIL

Assets

		Group		Parent Company	
USD '000	Note	2018	2017	2018	2017
Goodwill		2,159	2,747	-	-
Software		712	811	712	793
Intangible assets	7	**2,871**	**3,558**	**712**	**793**
Vessels and equipment		201,082	210,527	0	0
Fixtures and fittings, tools and equipment		119	244	35	97
Leasehold improvements		65	32	55	12
Prepayments		57	57	57	57
Property, plant and equipment	8	**201,323**	**210,860**	**147**	**166**
Investments in subsidiaries		-	-	17,956	15,745
Fixed asset investments	9	**0**	**0**	**17,956**	**15,745**
Fixed assets		**204,194**	**214,418**	**18,815**	**16,704**
Inventory of fuel, lube oil and provision		3,722	3,680	0	0
Inventories		**3,722**	**3,680**	**0**	**0**
Trade receivables		11,826	11,352	1	0
Receivables from group enterprises		1,860	890	60,462	65,042
Other receivables		1,908	1,629	318	720
Corporation tax	10	7,870	6,017	0	0
Prepayments		6,073	7,979	144	826
Receivables		**29,537**	**27,867**	**60,925**	**66,588**
Cash and cash equivalents		**12,787**	**13,343**	**7,276**	**5,795**
Current assets		**46,046**	**44,890**	**68,201**	**72,383**
Total assets		**250,240**	**259,308**	**87,016**	**89,087**

BALANCE SHEET AT 30 APRIL

Equity and liabilities

USD '000	Note	Group 2018	Group 2017	Parent Company 2018	Parent Company 2017
Share capital		10,990	10,990	10,990	10,990
Retained earnings		70,737	71,924	70,737	71,924
Equity		**81,727**	**82,914**	**81,727**	**82,914**
Pension obligations		0	27	0	0
Other provisions		-	-	436	0
Provisions		**0**	**27**	**436**	**0**
Credit institutions	11	139,820	147,509	0	0
Long-term liabilities		**139,820**	**147,509**	**0**	**0**
Credit institutions	11	7,686	7,687	0	0
Trade payables		11,199	12,402	349	994
Payables to group enterprises		6,268	2,730	1,486	1,904
Corporation tax		10	4	1,208	588
Other payables		2,933	4,057	1,810	2,687
Deferred income		597	1,978	0	0
Short-term liabilities		**28,693**	**28,858**	**4,853**	**6,173**
Liabilities		**168,513**	**176,367**	**4,853**	**6,173**
Total equity and liabilities		**250,240**	**259,308**	**87,016**	**89,087**
Deferred tax	12				
Derivative financial instruments	13				
Security and contractual obligations	14				
Transactions with related parties	15				
Fee to auditors appointed at the general meeting	16				
Subsequent Events	17				
Accounting Policy	18				

STATEMENT OF CHANGES IN EQUITY

2017/18	Group			Parent Company		
USD '000	**Share capital**	**Retained earnings**	**Total**	**Share capital**	**Retained earnings**	**Total**
Equity at 1 May	10,990	71,924	82,914	10,990	71,924	82,914
Exchange rate adjustments	0	(15)	(15)	0	(15)	(15)
Fair value adjustment of hedging instruments	0	856	856	0	856	856
Net loss for the year	0	(2,028)	(2,028)	0	(2,028)	(2,028)
Equity at 30 April	**10,990**	**70,737**	**81,727**	**10,990**	**70,737**	**81,727**

2016/17	Group			Parent Company		
USD '000	**Share capital**	**Retained earnings**	**Total**	**Share capital**	**Retained earnings**	**Total**
Equity at 1 May	10,990	81,661	92,651	10,990	81,661	92,651
Exchange rate adjustments	0	(57)	(57)	0	(57)	(57)
Fair value adjustment of hedging instruments	0	(699)	(699)	0	(699)	(699)
Net loss for the year	0	(8,981)	(8,981)	0	(8,981)	(8,981)
Equity at 30 April	**10,990**	**71,924**	**82,914**	**10,990**	**71,924**	**82,914**

CASH FLOW STATEMENT
1 MAY - 30 APRIL

Group

USD ‘000	2017/18	2016/17
Loss for the year before tax	(3,231)	(10,304)
Reversal of depreciation, amortisation, profit from sale of assets, and exchange rate adjustments for the year	19,805	20,866
Amortisation of loan costs	312	328
Changes in inventories	(42)	(764)
Changes in receivables	(454)	3,517
Changes in trade payables and other debt, etc	686	(212)
Pension obligations	(27)	1
Cash flow from ordinary activities	**17,049**	**13,432**
Corporation tax paid	(8)	(8)
Cash flow from operating activities	**17,042**	**13,424**
Purchase of property, plant and equipment	(9,374)	(12,390)
Sale of property, plant and equipment	0	20
Purchase of intangible assets	(224)	(147)
Cash flow from investing activities	**(9,598)**	**(12,517)**
Capital increase	0	0
Repayment/raising of loans from credit institutions (net)	(8,000)	(8,000)
Cash flow from financing activities	**(8,000)**	**(8,000)**
Changes in cash and cash equivalents	**(557)**	**(7,093)**
Cash and cash equivalents at 1 May	13,343	20,436
Cash and cash equivalents at 30 April	**12,787**	**13,343**


PHILIPS

NOTES TO THE FINANCIAL STATEMENTS

1. Segment information

The Group's activities are considered one segment.

2. Staff expenses

USD '000	Group 2017/18	Group 2016/17	Parent Company 2017/18	Parent Company 2016/17
Rented crew	(8,455)	(11,063)	(8,455)	(11,063)
Wages and salaries	(13,191)	(9,903)	(8,988)	(5,935)
Pensions	(854)	(770)	(631)	(542)
Social security expenses	(867)	(637)	(317)	(264)
Other staff expenses	(5,156)	(6,313)	(5,169)	(5,891)
	(28,523)	**(28,686)**	**(23,560)**	**(23,695)**
Average number of employees The figures include rented crew on vessels.	592	595	550	555
Salaries and remuneration to the Executives and Board of Directors	499	439	414	360

Staff expences include the salaries of crew in the Parent Company's subsidiaries.
These expences are reinvoiced to the ship owning companies and recognised as revenue.

NOTES TO THE FINANCIAL STATEMENTS

3. Financial income

USD '000	Group 2017/18	Group 2016/17	Parent Company 2017/18	Parent Company 2016/17
Intercompany interest income	0	0	2,319	1,849
Exchange rate adjustments	1,182	23	0	0
Other financial income	99	24	70	4
	1,281	**47**	**2,389**	**1,853**

4. Financial expenses

USD '000	Group 2017/18	Group 2016/17	Parent Company 2017/18	Parent Company 2016/17
Intercompany interest expenses	0	0	(20)	(40)
Exchange rate adjustments	(164)	(660)	(164)	(17)
Other financial expenses	(5,698)	(4,931)	(13)	(3)
	(5,862)	**(5,591)**	**(197)**	**(60)**

5. Corporation tax

USD '000	Group 2017/18	Group 2016/17	Parent Company 2017/18	Parent Company 2016/17
Current tax for the year	1,194	1,323	(548)	(439)
	1,203	**1,323**	**(548)**	**(439)**

6. Distribution of profit/loss

USD '000	Group 2017/18	Group 2016/17	Parent Company 2017/18	Parent Company 2016/17
Proposed distribution of loss:				
Retained earnings	(2,028)	(8,981)	(2,028)	(8,981)
	(2,028)	**(8,981)**	**(2,028)**	**(8,981)**

NOTES TO THE FINANCIAL STATEMENTS

7. Intangible assets

USD '000	Goodwill	Software
Group		
Cost at 1 May	5,887	1,808
Exchange rate adjustments	0	(7)
Additions for the year	0	224
Cost at 30 April	**5,887**	**2,025**
Depreciation and amortisation at 1 May	3,140	997
Exchange rate adjustments	0	(4)
Depreciation and amortisation for the year	588	320
Depreciation and amortisation at 30 April	**3,728**	**1,313**
Carrying amount at 30 April	**2,159**	**712**
Parent Company		
Cost at 1 May	-	1,711
Additions for the year	-	224
Cost at 30 April	**-**	**1,935**
Depreciation at 1 May	-	918
Depreciation for the year	-	305
Depreciation at 30 April	**-**	**1,223**
Carrying amount at 30 April	**-**	**712**

NOTES TO THE FINANCIAL STATEMENTS

8. Property, plant and equipment

USD '000	Vessels and equipment	Fixtures and fittings, tools and equipment	Leasehold improvements	Prepayments
Group				
Cost at 1 May	303,991	1,158	148	57
Exchange rate adjustments	0	(3)	(6)	0
Additions for the year	9,313	11	50	0
Disposals for the year	10,508	0	0	0
Cost at 30 April	**302,796**	**1,166**	**192**	**57**
Depreciation at 1 May	93,464	914	116	0
Exchange rate adjustments	0	4	(4)	0
Depreciation for the year	18,758	129	15	0
Reversed depreciation on disposals for the year	10,508	0	0	0
Depreciation at 30 April	**101,714**	**1,047**	**127**	**0**
Carrying amount at 30 April	**201,082**	**119**	**65**	**57**
Parent Company				
Cost at 1 May	0	595	89	57
Additions for the year	0	7	50	0
Cost at 30 April	**0**	**602**	**139**	**57**
Depreciation at 1 May	0	498	77	0
Depreciation for the year	0	69	7	0
Depreciation at 30 April	**0**	**567**	**84**	**0**
Carrying amount at 30 April	**0**	**35**	**55**	**57**

NOTES TO THE FINANCIAL STATEMENTS

9. Fixed asset investments

USD '000	Investments in subsidiaries
Parent Company	
Cost at 1 May	93,677
Additions for the year	4,300
Cost at 30 April	**97,977**
Value adjustments 1 May	(77,932)
Exchange rate adjustments	(15)
Net loss for the year	(2,777)
Fair value adjustment of hedging instruments for the year	856
Amortisation of goodwill	(589)
Equity investments with negative net asset value transferred to provisions	436
Value adjustments 30 April	**(80,021)**
Carrying amount at 30 April	**17,956**
Remaining positive difference included in the above carrying amount	2,159

Investments in subsidiaries are specified as follows:

Name	Place of reg. office	Ownership share
Uni-Chartering A/S	Middelfart	100%
Uni-Chartering (Gibraltar) Ltd.	Gibraltar	100%
Uni-Chartering France EURL	Nice	100%
Uni-Tankers m/t "Jutlandia Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Selandia Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Fionia Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Erria Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Mona Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Tasing Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Boringia Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Anhout Swan" ApS	Middelfart	100%

NOTES TO THE FINANCIAL STATEMENTS

9. Fixed asset investments (continued)

Name	Place of reg. office	Ownership share
Uni-Tankers m/t “Lessow Swan” ApS	Middelfart	100%
Uni-Tankers m/t “Falstria Swan” ApS	Middelfart	100%
Uni-Tankers m/t "Amak Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Alsia Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Samus Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Feo Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Lillo Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Fenno Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Endelo Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Fandia Swan" ApS	Middelfart	100%
Uni-Tankers m/t "Mandia Swan" ApS	Middelfart	100%

10. Corporation tax, Group

USD ‘000	2017/18	2016/17
Corporate tax, current year	1,853	1,144
Corporate tax, joint taxation prior years	6,017	4,873
	7,870	**6,017**

11. Credit institutions

Long-term part of installments falling due within 1 year are recognised as short-term liabilities in the balance sheet.

12. Deferred tax

Tax on transitional balance and equalisation balance relating to vessels amounts to USD 3,104k.

NOTES TO THE FINANCIAL STATEMENTS

13. Derivative financial instruments

The Group has entered into forward contracts to ensure future purchase of bunkers for servicing fixed freight contracts. Compared to trading prices at the balance date, the contracts have a positive fair value of USD 615k. Adjustments related to the fair market value are recognised in equity. The contracts have a maturity of 1-11 months.

14. Security and contractual obligations

Group

Security
The Group has provided security in vessels and equipment for debt to credit institutions of USD 148,450k. At the balance sheet date, the carrying amount of the assets provided as security was USD 201,082k.

Rental and lease obligations
The Group has concluded contracts with the following obligations:

» Tenancy contract with external parties with a total obligation of USD 21k
» Tenancy contract with group enterprises with a total obligation of USD 1,273k
» Operating leases with a total obligation of USD 574k
» Time charter contracts with a total obligation of USD 41,656k.

The obligations are due according to the following order:

USD '000	Within 1 year	Between 1 and 5 years	After 5 years
Tenancy contracts with external parties	21	0	0
Tenancy contracts with group enterprises	283	990	0
Operating leases	331	243	0
Time charter contracts	41,591	65	0
	42,226	**1,298**	**0**

NOTES TO THE FINANCIAL STATEMENTS

14. Security and contractual obligations (continued)

Other obligations
The Danish group enterprises are jointly and severally liable for tax on the consolidated jointly taxed income etc. The total corporation tax payable is shown in the Annual Report of Selfinvest ApS, which is the management company of the joint taxation. The Danish group enterprises are moreover jointly and severally liable for Danish withholding taxes and VAT. Any subsequent adjustments of corporation tax, withholding taxes and VAT may imply that the Company is liable for a higher amount.

Parent Company

Security
The Company has issued a joint and several guarantee of USD 148,450k in respect of the obligations of group enterprises toward credit institutions. At the balance sheet date, the obligations of group enterprises amounted to USD 148,450k.

Investments in subsidiaries have been provided as security for loans from credit institutions. At the balance sheet date, the carrying amount of the assets provided as security was USD 17,956k.

Rental and lease obligations
The Company has concluded an operating lease with a total obligation of USD 396k and a tenancy contract with group enterprises with a total obligation of USD 1,114k.

USD '000	Within 1 year	Between 1 and 5 years	After 5 years
Tenancy contracts with group enterprises	218	896	0
Operating leases	184	212	0
	402	**1,108**	**0**

NOTES TO THE FINANCIAL STATEMENTS

15. Transactions with related parties

Related parties comprise the Board of Directors, the Executive Board and senior executives in the group enterprises as well as companies in which these persons have significant interests.

With reference to section 98 C (7) of the Danish Financial Statements Act related party transactions details are not disclosed.

The Company is included in the Consolidated Financial Statements of the immediate Parent Company, A/S United Shipping & Trading Company.

Controlling interest is exercised through the Company's immediate Parent Company, A/S United Shipping & Trading Company. The Company's ultimate Parent Company, which prepares Consolidated Financial Statements is Selfinvest ApS, in which Torben Østergaard-Nielsen, CEO, Gl. Strandvej 171, 5500 Middelfart, exercises control.

16. Fee to auditors appointed at the general meeting

USD '000	**2017/18**	**2016/17**
Group		
PricewaterhouseCoopers		
Fee for statutory audit	(83)	(80)
Assurance assignments	0	0
Tax services	(11)	(17)
Non-audit services	(118)	(138)
	(212)	**(235)**
MooreStephens		
Fee for statutory audit	(6)	(4)
Non-audit services	(12)	(15)
	(18)	**(19)**

17. Subsequent events

No significant events affecting the assessment of the Annual Report have occured after the balance sheet date.

18. Accounting policies and definitions

Basis of Preparation
The Annual Report of Uni-Tankers A/S for 2017/18 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from previous years.

The Annual Report for 2017/18 is presented in USD thousands. At 30 April 2018 the year-end exchange rate for USD/DKK was 6.17. The comparative figures are translated at the historical year-end exchange rate which as of 30 April 2017 was 6.81.

Recognition and measurement
The Financial Statements have been prepared based on the historic cost principle.

Revenues are recognised in the income statement as earned, and all expenses incurred to achieve the earnings for the year are deducted. Expenses include operating expenses, depreciation, amortisation, impairment losses and provisions as well as changes due to changed accounting estimates. Furthermore, value adjustments of financial assets and liabilities measured at fair value are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Group, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Group, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account profits, losses and risks occurring before the presentation of the Annual Report, which relate to affairs and conditions existing at the balance sheet date.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

USD is used as the measurement currency. All other currencies are regarded as foreign currencies.

Basis of consolidation
The Consolidated Financial Statements comprise the Parent Company, Uni-Tankers A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or otherwise exercises control.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

Newly acquired or newly established enterprises are included in the Consolidated Financial Statements from the time of acquisition. The difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after fair value adjustment of the individual assets and liabilities (the purchase method). This includes allowing for any restructuring provisions determined in relation to the enterprise acquired. Positive differences (goodwill) are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straight-line basis over its estimated useful life; however, not exceeding 20 years.

Changes in the purchase price after takeover result in adjustment of the acquisition value of goodwill. Moreover, goodwill is adjusted where, at the time of takeover, the fair value of the net assets taken over turns out to differ from the value previously assumed. Goodwill is adjusted until the end of the financial year following the year of acquisition.

Leases
Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group. The remaining lease obligation is capitalised and recognised in

the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments relating to operating leases are recognised in the income statement on a straight line basis over the lease period.

Translation policies

Transactions in foreign currencies are translated during the year at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the paragraph “Hedge accounting”.

Upon recognition of financial statements of foreign group enterprises and associates, income statement items are translated into USD at average exchange rates and balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on this translation are recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are recognised in “Other receivables” and “Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualified as hedge accounting, see below.

Hedge accounting

Fair value hedges
Changes in the fair values of derivative financial instruments that are designated and qualified as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability.

Hedges of future assets or liabilities
Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised directly in retained earnings under equity. If the hedged transaction results in an asset or a liability, the amount is transferred from equity to the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Income statement

Revenue
Revenue is recognised in the income statement when the sale has been completed. This is considered the case when:

- delivery has been made before year end
- a binding sales agreement has been made
- the sales price has been determined
- payment has been received or may with reasonable certainty be expected to be received.

Revenue is recognised exclusive of VAT and duties.

Revenue includes income from shipowning activities, which is cut off and recognised over the duration of the voyages.

Direct expenses
Direct expenses include bunkers and other voyage expenses, as well as charter hire expenses.

Other income/other expenses
Other income/other expenses includes profit/loss from sales of assets.

Other external expenses
Other external expenses include expenses for the repair and maintenance of vessels as well as office expenses etc.

Staff expenses
Staff expenses comprise wages and salaries as well as payroll expenses.

Income from investments in subsidiaries
The item "Income from investments in subsidiaries" in the income statement of the Parent Company includes the proportionate share of net profit for the year less goodwill amortisation.

Financial income and expenses
Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange gains and losses and gains and losses on securities, amortisation of loan costs, as well as changes in the fair value of financial instruments.

Tax on profit/loss for the year
Tax for the year consists of current tax for the year and adjustment of deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Group's current tax is computed according to the provisions of the Danish Tonnage Tax Act. On the basis of the Group's planned shipowning activities, the Tonnage Tax Scheme does not imply recapture of depreciation, and therefore deferred tax for these companies is only disclosed in the note "Deferred tax".

The Group is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Balance sheet

Intangible assets
Intangible assets are measured at cost less accumulated amortisation.

The period of amortisation of goodwill is longest for enterprises acquired for strategic purposes with a strong market position and a long earnings profile.

Amortisation based on cost is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Goodwill	10 years
Software	5 years

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest paid on loans raised for indirect or direct financing or production of property, plant and equipment is recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets:

Fixtures and fittings, tools and equipment	3-10 years
Vessels (newbuilding)	25 years
Vessels (not newbuilding)	up to 25 years
Leasehold improvements	lease term

Scrap values are yearly reassessed.

Vessels and equipment are measured at cost less accumulated depreciation calculated on a straight-line basis over the period until either the end of the expected useful life or the time of expected phasing out. At the establishment of expected useful life, the condition and age of the vessels are considered.

The scrap values of vessels are determined as the vessels' selling value after 25 years of use as estimated by external shipbroker.

Docking expenses are added to the carrying amounts of the vessels at the time of payment and are expensed on a straight-line basis over the expected useful lives of the improvements, on average 2.5 years.

Gains and losses on sale of property, plant and equipment are recognised in the income statement under other income and other expenses, respectively.

Impairment of fixed assets
The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that

M/T Feo Swan

expressed by amortisation and depreciation. If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use.

The recoverable amount of vessels has been determined on the basis of the value in use as the value in use is considered higher than the fair value.

The value in use is calculated by means of cash flow estimates of the expected useful life of the vessel based on approved budgets for the coming financial year as well as the following estimated development. A discount rate of 8% p.a. after tax and exchange rates at the level of the actual rates of exchange at 30 April 2018 have been applied.

The most material assumptions applied at the calculation of the value in use are as follows:

» cash flows are based on earnings over the remaining life of the vessel based on the vessel's expected total life, cf accounting policies applied

» freight rates for the coming years are estimated based on experience, knowledge of the market and input from the Group's business partners. As from the financial year 2018/19, an annual increase in freight rates corresponding to the market having reached the expected level in 2021/22 is estimated. Hereafter, an annual increase in freight rates corresponding to 2.5% is estimated

» operating and administrative expenses are based on experience and expectation of the general development in expenses. As from 2019/20, expenses are expected to increase by 2.5% annually

» docking expenses are estimated based on experience and already planned dockings. Docking expenses are expected to increase by 2.5% annually.

Investments in subsidiaries
Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet of the Parent Company includes the proportionate ownership share of the net asset value of the enterprises calculated under the accounting policies of the Parent Company, adjusted for unrealised intercompany profits or losses and with addition or deduction of goodwill.

The total net revaluation of investments in subsidiaries is transferred in the Parent Company upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at USD 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Gains or losses on disposal or liquidation of subsidiaries are calculated as the difference between the sales sum or the liquidation amount and the carrying amount of net assets at the time of sale or liquidation, including unamortised goodwill and expected sales or liquidation expenses. Gains or losses are recognised in the income statement.

Inventories
Inventories are measured at cost under the FIFO method. Inventories comprise bunkers, lubrication oil and provision for own use.

The cost of inventories for which the fair values are effectively hedged by a financial transaction is adjusted for changes in the fair value of the hedged risk.

Receivables
Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments
Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions
Provisions are recognised when – in consequence of an event occurred before or on the balance sheet date – the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities
Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and own vessels under the Tonnage Tax Scheme.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carryforwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities
Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year and adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset and presented as a net item if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts
Fixed-interest loans from credit institutions are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income
Deferred income comprise payments recieved in respect of income in subsequent years.

Cash flow statement
The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

No cash flow statement has been prepared for the Parent Company as the Parent Company cash flows are included in the Consolidated Cash Flow Statement.

Cash flows from operating activities
Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities
Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities
Cash flows from financing activities comprise cash flows from the raising and repayment of short- and long-term debt as well as payment of dividend to shareholders.

The cash flow statement cannot be immediately derived from the published financial records.

Definition of financial ratios

$$\text{Gross margin} = \frac{\text{Gross profit x 100}}{\text{Revenue}}$$

$$\text{Profit margin} = \frac{\text{Profit before financials x 100}}{\text{Revenue}}$$

$$\text{Return on equity} = \frac{\text{Net profit for the year x 100}}{\text{Average equity}}$$

$$\text{Liquidity ratio} = \frac{\text{Current assets}}{\text{Short-term debt}}$$

$$\text{Solvency ratio} = \frac{\text{Equity at year end x 100}}{\text{Total assets}}$$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SIGNATURES

MANAGEMENT'S STATEMENT

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Uni-Tankers A/S for the financial year 1 May 2017 - 30 April 2018.

The Annual Report was prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Parent Company Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position of the Parent Company and the Group at 30 April 2018 and of the results of the Parent Company and Group operations and consolidated cash flows for 2017/18.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Middelfart, 29 June 2018

Executive Board

Torben Andersen

Board of Directors

Torben Østergaard-Nielsen
Chairman

Klaus Nyborg
Deputy Chairman

Michael Keldsen

Torben Janholt

Peter Frederiksen

Nina Østergaard Borris

Peter Korsholm

Morten Hultberg Buchgreitz

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 29 June 2018.

Chairman of the meeting

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF UNI-TANKERS A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2018, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 May 2017 - 30 April 2018 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Uni-Tankers A/S for the financial year 1 May 2017 - 30 April 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("financial statements").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on management's review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent 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 in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

» identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

» obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control

» evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management

» conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern

» evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view

» obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trekantområdet, 29 June 2018

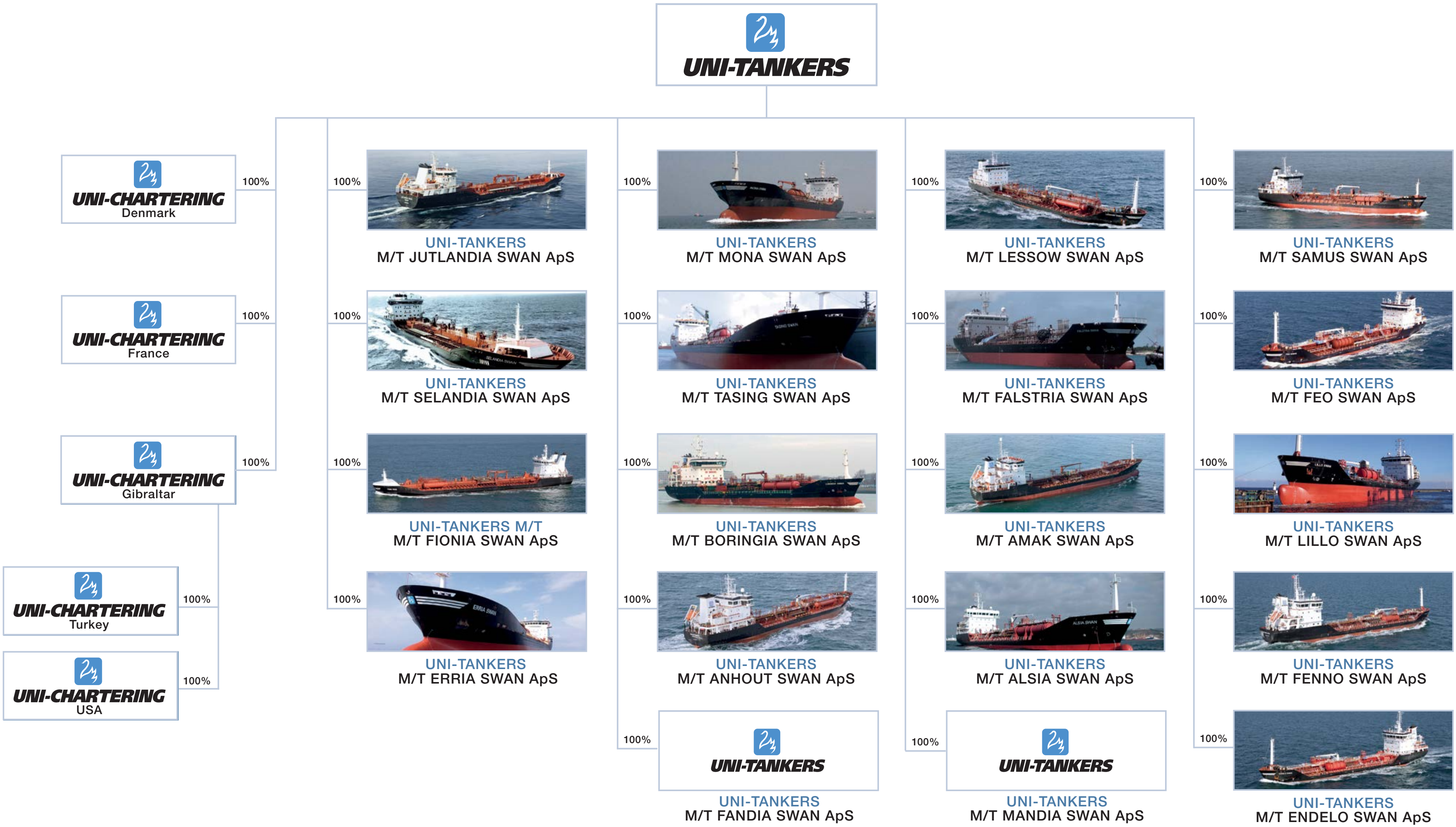
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Company reg. no.: 33 77 12 31

Jan Bunk Harbo Larsen
State Authorised Public Accountant
mne30224

Carsten Dahl
State Authorised Public Accountant
mne28674


Google Earth
Imagery Date: 12/14/2015

GROUP CHART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UNI-CHARTERING Denmark 100%
UNI-CHARTERING France 100%
UNI-CHARTERING Gibraltar 100%
UNI-CHARTERING Turkey 100%
UNI-CHARTERING USA 100%
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100% UNI-TANKERS M/T FENNO SWAN ApS
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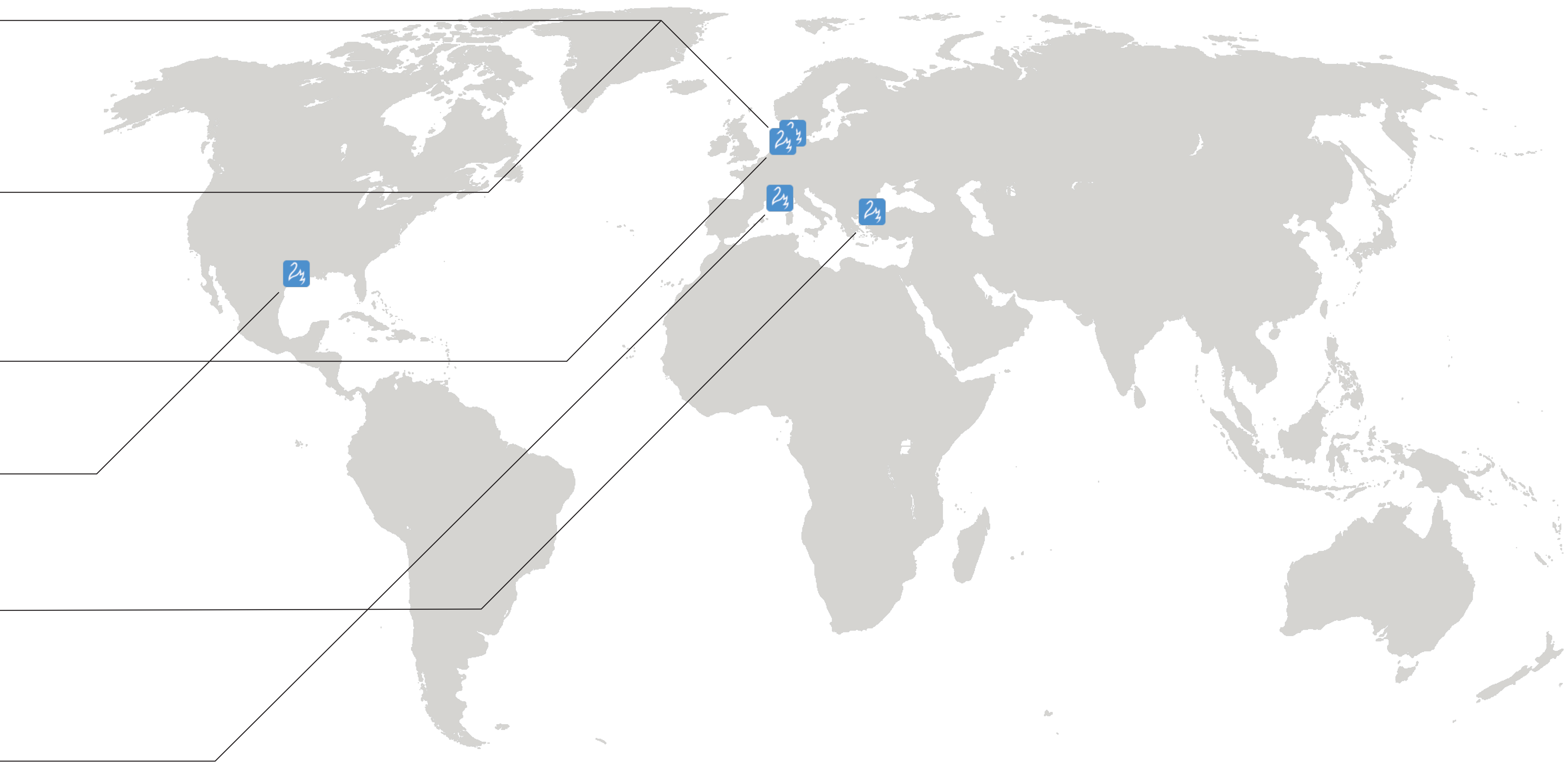

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