ANNUAL REPORT 2020/21

The Annual Report was presented and adopted at the Company's Annual General Meeting on 24 June 2021

Chairman of the meeting: Peter Appel

Financial Year: 1 May 2020 – 30 April 2021

Turbinevej 10, 5500 Middelfart, Denmark
Company reg. no. 12 56 07 96

UNI-TANKERS

197.4

MILLION USD REVENUE

35.5%

SOLVENCY AT YEAR-END

26 YEAR HISTORY

Uni-Tankers was founded in 1995 as a subsidiary of the global USTC Group (A/S United Shipping & Trading Company).

75 SHORE-BASED EMPLOYEES

Uni-Tankers is headquartered in the old maritime city of Middelfart and has offices in Aalborg, Istanbul, Mougins and Houston.

38 VESSELS AT YEAR-END

TOTALLING 328,461 DWT

10.35 YEARS

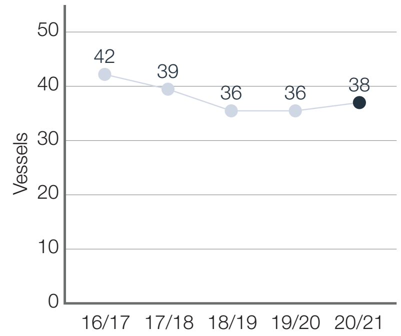
FLEET AVERAGE AGE

Uni-Tankers is a leading tanker shipping company trading in the intermediate and small tanker segment. The company operates 38 owned and chartered vessels, and the fleet is one of the youngest in its core markets. Uni-Tankers strives to offer best-in-class service through technical superiority and an open, accommodating culture, which shows in the company's growing list of industry major clients.

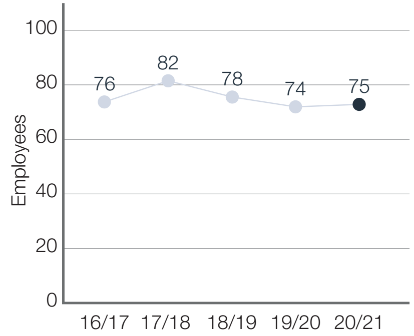
CONTENTS

Our mission is to provide safe, reliable and efficient shipping solutions optimising value to our customers and shareholder.

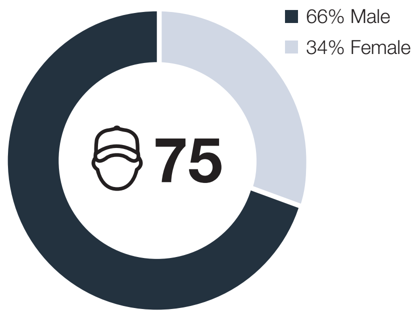
KEY FIGURES AND FINANCIAL RATIOS



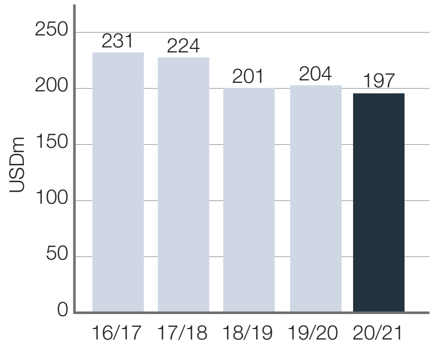
Fleet of owned and time-chartered vessels



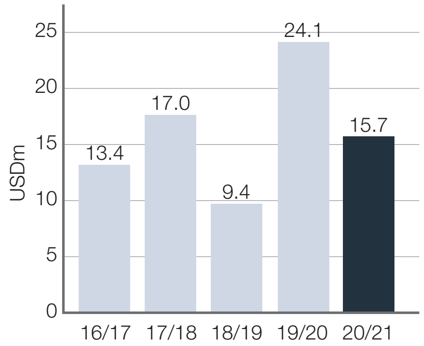
Shore-based employees



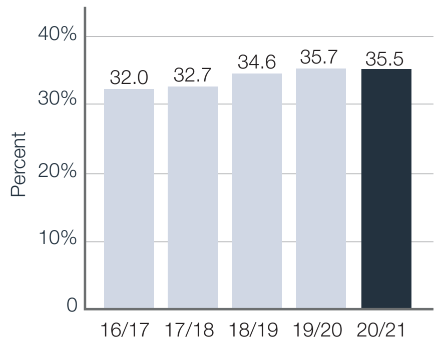
Shore-based employees gender split 2020/21



Revenue



Cash flow from operating activities



Solvency ratio %

Financial year 2020/21 was not a growth year for the tanker business, as the COVID-19 pandemic suppressed demand dramatically.

USD '000	**2020/21**	**2019/20**	**2018/19**	**2017/18**	**2016/17**
Key figures					
Income statement					
Revenue	**197,401**	204,436	201,304	223,901	231,387
EBITDA	**14,609**	23,801	18,222	21,165	16,135
Profit before financial income and expenses	**(3,299)**	7,071	(22,024)	1,350	(4,760)
Net financials	**(2,894)**	(5,969)	(7,696)	(4,581)	(5,544)
Loss before tax	**(6,193)**	1,102	(29,720)	(3,231)	(10,304)
Net loss for the year	**(5,528)**	2,196	(28,247)	(2,028)	(8,981)
Balance sheet					
Balance sheet total	**196,238**	203,608	213,118	250,240	259,308
Equity	**69,653**	72,676	73,692	81,727	82,914
Cash flows					
Cash flows from:					
- operating activities	**15,674**	24,136	9,373	17,042	13,424
- investing activities	**(17,253)**	(9,876)	(8,076)	(9,598)	(12,517)
- financing activities	**(10,404)**	(10,237)	(8,000)	(8,000)	(8,000)
Change in cash and cash equivalents for the year	**(11,983)**	4,023	(6,703)	(557)	(7,093)
Employees	**630**	629	604	592	595
Ratios					
Gross margin	**29.5%**	33.2%	31.8%	29.7%	27.5%
Profit margin	**(1.7%)**	3.5%	(10.9%)	0.6%	(2.1%)
Return on equity	**(7.8%)**	3.0%	(36.3%)	(2.5%)	(10.2%)
Liquidity ratio	**0.92**	1.29	1.51	1.60	1.56
Solvency ratio	**35.5%**	35.7%	34.6%	32.7%	32.0%

For definitions, see under accounting policies (page 40)

Uni-Tankers forged ahead with its ambitious environment programme during the year, reducing its SOx emissions by 93% by switching to a low-sulphur MGO fuel.

BORINGIA SWAN in Piraeus

MANAGEMENT REVIEW

2020/21 FINANCIAL YEAR HIGHLIGHTS

Tanker shipping has rarely seen more challenging times than the 2020/21 financial year, with demand for transported fuels, in particular, in steep decline due to the COVID-19 pandemic.

Thanks to the quality and dedication of Uni-Tankers employees, the continued impact of recent strategic initiatives and the Group's general financial strength, however, Uni-Tankers continued to make progress on multiple fronts, despite a significant decline in TCE rates.

Revenue fell by 3.4% during the year, while direct and staff/other costs fell by 1%, yielding a net loss for the 2020/21 financial year of USD 5.5 million. This amounts to a decrease of USD 7.7 million compared to financial year 2019/20.

Management views the entire decline in revenue in 2020/21 as attributable to the COVID-19 pandemic, and while performance for the year cannot be regarded as satisfactory, it is seen as an unavoidable consequence of the pandemic.

Despite the obvious challenges, the Group continued pursuing its ambitious programme of cost-optimization and strategic investments.

For example, Project Swan, launched in 2018 to streamline the Group's business, was completed on target during the financial year, and Project Swan 2.0 was initiated to run from May 2021 to April 2022 with a target of USD 1.4 million in further cost-optimization.

The Group was further strengthened by continued investments in human resources, the Uni-Tankers fleet and the Group's IT infrastructure, along with intensified leveraging of synergies with other USTC companies. This is expected to put Uni-Tankers in a favourable position as global trade recovers from the effects of the pandemic.

PEOPLE

If ever there was a year to begin a Management Review with a discussion of the Group's employees, it would be 2020/21. In response to the COVID-19 pandemic, Uni-Tankers employees showed flexibility and made sacrifices big and small that proved once again why they are the Group's most valuable asset and why investing in them is so worthwhile.

Indeed, Uni-Tankers continued to invest heavily in human resources during the 2020/21 financial year, while also integrating its HR setup into the broader USTC approach to recruitment, employee development, leadership development and coaching.

The Group established a new Fleet Manager position and took on more trainees than previously, working with IT and finance as well as shipping. New employees from the Philippines and Poland also started working at Uni-Tankers' head office during the year, improving workforce diversity with three nationalities now represented at the Group's head office. Finally, the Group's commitment to women in shipping remained strong in 2020/21 – currently, women account for approximately 34% of all Uni-Tankers onshore employees.

Other investments included new internal communication initiatives and enhanced crew training in general, safety and safety equipment, product knowledge, seaway regulations, basic training and the Uni-Tankers Safety Management System and accompanying manuals.

The Group finished rolling out its new communication system onboard all owned vessels in 2020/21 and began development work on the MyCrew intranet for crews, which will parallel the MyTanker intranet for office workers. In response to the pandemic, all Uni-Tankers employees were furnished with workstations at home, with remote access, an online meeting setup and other required IT services working without problems.

Uni-Tankers crews and office employees showed exceptional loyalty and commitment during the COVID-19 pandemic. This loyalty and commitment also shows in the Group's staff retention rate, which was 97–98% during financial year 2020/21.

The COVID-19 pandemic took a heavy toll on tanker shipping in 2020/21. Thanks to our sound business strategy, financial strength and continued investments, I am convinced that Uni-Tankers will emerge post-pandemic better positioned than before.

Per Ekmann, CEO

Sound finances and the strategic measures we have taken in recent years meant we could continue to invest in our future, despite the downturn brought on by the pandemic.

Thomas Thomsen, CFO

STRATEGY

During financial year 2020/21, Uni-Tankers continued to reap benefits from the strategy originally adopted in 2017. The Group launched the next phase of its cost-optimization "Project Swan" and intensified work on other strategic initiatives.

In particular, Management took further steps to leverage synergies with other USTC companies. At sea, this involved dedicating two vessels to bunker supply activities. On shore, it meant integrating with UTSC's human resources, business intelligence and IT systems. To name one example, Uni-Tankers set up a big-data-powered "War Room" for monitoring market developments in greater detail.

Again in 2020/21, the Group invested in tonnage, entering the stainless-steel segment with four vessels acquired on a long-term time-charter (TC) basis in 2019/20 and a fifth TC vessel acquired in 2020/21. This development marks another step towards the Group's strategic goal of maintaining a diverse fleet that can take advantage of new business opportunities wherever they arise.

Finally, Management believes the tanker shipping business will see consolidation over the coming years and intends to act assertively should relevant opportunities arise. The Group is well positioned to strategically and financially to do so.

FLEET

Financial year 2020/21 was not a growth year for the tanker business, as the COVID-19 pandemic suppressed demand dramatically. Still, Uni-Tankers entered the stainless-steel segment and even added a fifth TC vessel to its new stainless-steel fleet. The Group also entered several TC out agreements and secured a purchase option on selected TC vessels. Broadening its portfolio in this way enables the Group to offer customers greater flexibility and ensures a greater variety of market opportunities that Uni-Tankers can take advantage of.

Installation of a new state-of-the-art IT system was completed on all Uni-Tankers vessels in 2020/21 and is expected to improve crew welfare and provide significant operational benefits. The Group also completed installation of a new ballast water treatment system (BWTS) on most vessels in 2020/21, ensuring compliance with the most stringent environmental legislation.

The Group's vessels were subject to an International Safety Management (ISM) office audit during the year, which was conducted at the head office in November 2020 by Bureau Veritas. The vessels passed with flying colours and no remarks.

Finally, Uni-Tankers increased its contract portfolio by 20% in 2021, providing an important business win during an otherwise challenging year. By reducing the need to trade spot cargo, the larger contract portfolio has helped put the Group's business on even stronger foundations.

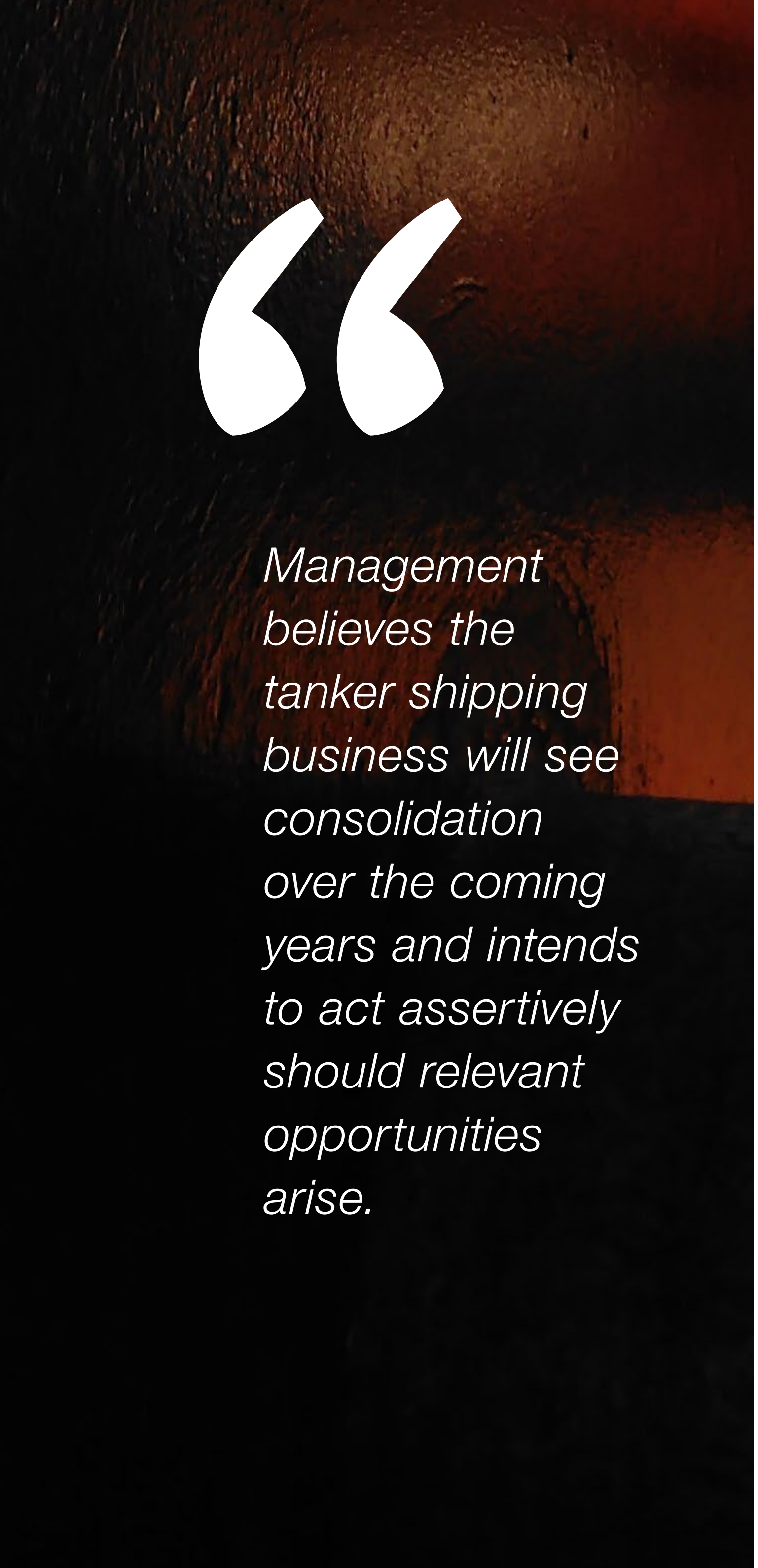
ENVIRONMENT

Uni-Tankers forged ahead with its ambitious environment programme throughout the 2020/21 financial year. The fuel savings system installed on M/T Samus Swan in 2019 has so far achieved savings of 10% on the vessel's bunker consumption.

In addition, the Group has completed a test of an even more effective Fuel Savings System on M/T Endelo Swan, resulting in savings of 12.2%. The successful outcome led Management to decide to implement the same system on three additional vessels – M/T Fenno Swan, M/T Feo Swan and M/T Lillo Swan – and consider implementing the system on even more owned vessels.

Other notable initiatives include a pilot project that converts the air-conditioning system on M/T Mona Swan to run on CO2 instead of freon, and a sophisticated circular-energy project that uses surplus energy from exhaust-gas boilers to generate steam for use onboard the Uni-Tankers vessels.

By switching to a low-sulphur MGO fuel (marine gasoil), Uni-Tankers reduced its SOx emissions by all of 93% from 2019 to 2020. The Group continues to replace bow thruster and stern tube lube oil with environmentally acceptable lubricants (EALs) as its vessels are dry-docked. And work continues on replacing conventional light fixtures on board vessels with energy-saving LED fixtures.



OUTLOOK FOR 2021/22

Project Swan and other initiatives launched over the past few years continue to have a positive impact on performance. Project Swan 2.0, launched during the 2020/21 financial year, is expected to contribute further to the Group's progress.

However, the factor that will have the greatest impact on the Group's performance in 2021/22 is the ongoing COVID-19 pandemic with the vast disruptions to global trade it has caused. The pandemic is certain to affect Uni-Tanker's business negatively, but significant regional differences in the effects of and response to the pandemic make it difficult to provide a reliable outlook regarding the 2021/22 financial year.

Still, the Group feels fairly confident that 2021/22 will bring a major improvement in earnings and, quite possibly, a small profit for the year.

SUBSEQUENT EVENTS

There have not been any significant events affecting the assessments presented in the annual report since the date on which the balance sheet was prepared.

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. The focus is on maintaining a healthy balance between spot market business and covered business, via Contracts of Affreightment (CoA), time charters, etc.

The Group's fleet of 38 vessels consists of 44% vessels owned by the Group itself and 56% vessels under time charter.

Because 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 such risks by balancing short-term, medium-term and long-term charter hire periods.

Foreign exchange risks

The Group uses the US dollar as functional currency in the Financial Statements. This means the Group is affected by transactions that take place mainly in EUR and DKK. The Group strives 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.

Uni-Tankers Head Office, Middelfart

The Group aims to mitigate such risks by passing on bunker price increases to customers. In the spot market, the freight level is adjusted to reflect the current bunker price level, to the extent possible.

When entering into Contracts of Affreightment with customers, the bunker price risk is covered either 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 a current credit rating.

The Group's policy is to require payment before or upon cargo release. Payment after cargo release is only accepted for customers with a high credit rating and with whom the Group has a long-lasting good business relationship.

The Group has not suffered any material losses from defaulting customers in 2020/21.

Interest rate risk

The Group's ship loans are in USD and carry floating interest rates. Management continuously monitors developments in floating interest rates.

STATUTORY STATEMENT ON CSR IN ACCORDANCE WITH SECTION 99A OF THE DANISH FINANCIAL STATEMENTS ACT

Business model

Uni-Tankers is a leading tanker shipping company trading in the intermediate and small tanker segment. The company operates 38 owned and chartered vessels, and the fleet is one of the youngest in its core markets. Uni-Tankers strives to offer best-in-class service through technical superiority and an open, accommodating culture, which shows in the company's growing list of industry major clients.

Headquarters are located in Middelfart, Denmark, and commercial activities are also carried out from local offices in Aalborg (Denmark), Mougins (France), Istanbul (Turkey) and Houston (USA).

The Middelfart-based shipping conglomerate, A/S United Shipping & Trading Company, controls Uni-Tankers A/S 100 %.

Risk analyses

Uni-Tankers' risk of influencing the environment, social- and employee relationships, human rights and anti-corruption via its actions is estimated to be limited.

Uni-Tankers complies with all relevant legislation in the mentioned areas, as well as codes of conduct set forth by various business partners. Nevertheless, Uni-Tankers is particularly aware of the risks related to safety aboard vessels, working conditions of employees, transport-associated emissions, spills and corruption.

Environment

Uni-Tankers acknowledges the global challenges related to emissions of greenhouse gases. Moreover, the Group is aware of the risks related to the transportation of goods such as high-grade chemicals and refined oil.

Uni-Tankers continuously strives to reduce the environmental impact related to the Group's operations. Uni-Tankers constantly makes efforts to improve the efficiency of equipment and facilities. Furthermore, the Group aims to optimize its shipping operations by reducing voyages as much as possible and focusing on efficient routes.

The Group aims to ensure safe transportation of environmentally hazardous goods via internal audits by ship inspectors, and external audits carried out by customers, flag states, port authorities, and business partners. Additionally, Uni-Tankers ensures safe transportation of goods and continuous training of crew members in the handling of hazardous goods.

Results related to environmental issues

To reduce fuel consumption, Uni-Tankers continuously conducts testing via a control system on the main engines and propulsion systems. Additionally, the Group continues to use an external supplier of weather routing in order to improve efficiency of transportation routes.

In 2020/21, Uni-Tankers initiated testing of a new fuel-savings system on 4 vessels with consideration of implementing on even more vessels. In addition, Uni-Tankers switched to a low-sulphur MGO (marine gasoil) fuel, thereby reducing its SOx emissions by all of 93% from 2019 to 2020.

Uni-Tankers continues to install new Ballast Water Treatment systems on all vessels and has thus far completed installation on 47% of the fleet compared to last year's 35%. Moreover, throughout the year Uni-Tankers has continued to apply only high-quality anti-fouling paint, thereby minimizing emissions.

Social and employee relationships

Uni-Tankers is aware of the risk related to unsafe working conditions and the risk of accidents that may occur due to lack of knowledge and competencies amongst employees.

Uni-Tankers aims to provide safe, reliable and efficient shipping solutions and certifies all vessels in accordance with ILO's Maritime Labor Convention (MLC), in order to ensure the health, safety and working conditions of its employees. Moreover, the Group strives to comply with all applicable international standards and conventions such as SOLAS, MARPOL and the International Maritime Organization (IMO).

The Group employee policies are elaborated in the Group's employee handbook.

Results concerning social and employee relationships

Uni-Tankers has continued to ensure compliance with the ISM Code (International Safety Management Code) via internal audits as well as external audits carried out by the international classification society, Bureau Veritas. Moreover, the Group has maintained its efforts to develop risk assessments and Toolbox Meetings prior to any new job to ensure the safety of its employees.

In 2020/21, all vessels passed an International Safety Management (ISM) office audit conducted by Bureau Veritas with zero deficiencies and no remarks. Uni-Tankers also continues the change to ABS class for all vessels, so far without cause for concern. Additionally, Uni-Tankers continuously reviews and revises its employee handbook as well as recruitment and on-boarding procedures, thereby improving conditions for employee retention and attraction.

Human rights

Uni-Tankers believes that all employees, irrespective of gender, nationality, skin colour, and religion, must have equal career and management opportunities. The Group is aware that the industry in which the Group operates is characterized by a high degree of diversity, and therefore supports an open-minded and unprejudiced culture which allows each individual employee to make the best possible use of his/her skills.

In order to ensure a reliable connection between the Group and crews, each vessel has a Designated Person Ashore (DPA) who gives crew members an opportunity to pass on any concerns regarding working conditions to Management. Furthermore, human rights are upheld by compliance with requirements of the Maritime Labor Convention (MLC).

Results concerning human rights

Uni-Tankers' view on human rights is presented in the code of conduct of USTC, which all employees are expected to practice. The code of conduct is always available to all employees.

Moreover, Uni-Tankers continues to comply with the Group's non-discriminatory behaviour in recruitment processes by maintaining focus on professional and personal skills as the foundation for decisions.

In 2020/21, Uni-Tankers' improved its workforce diversity by adding two more nationalities to the staff at head office.

Uni-Tankers has no reason to suspect that any violation of human rights has taken place during this financial year.

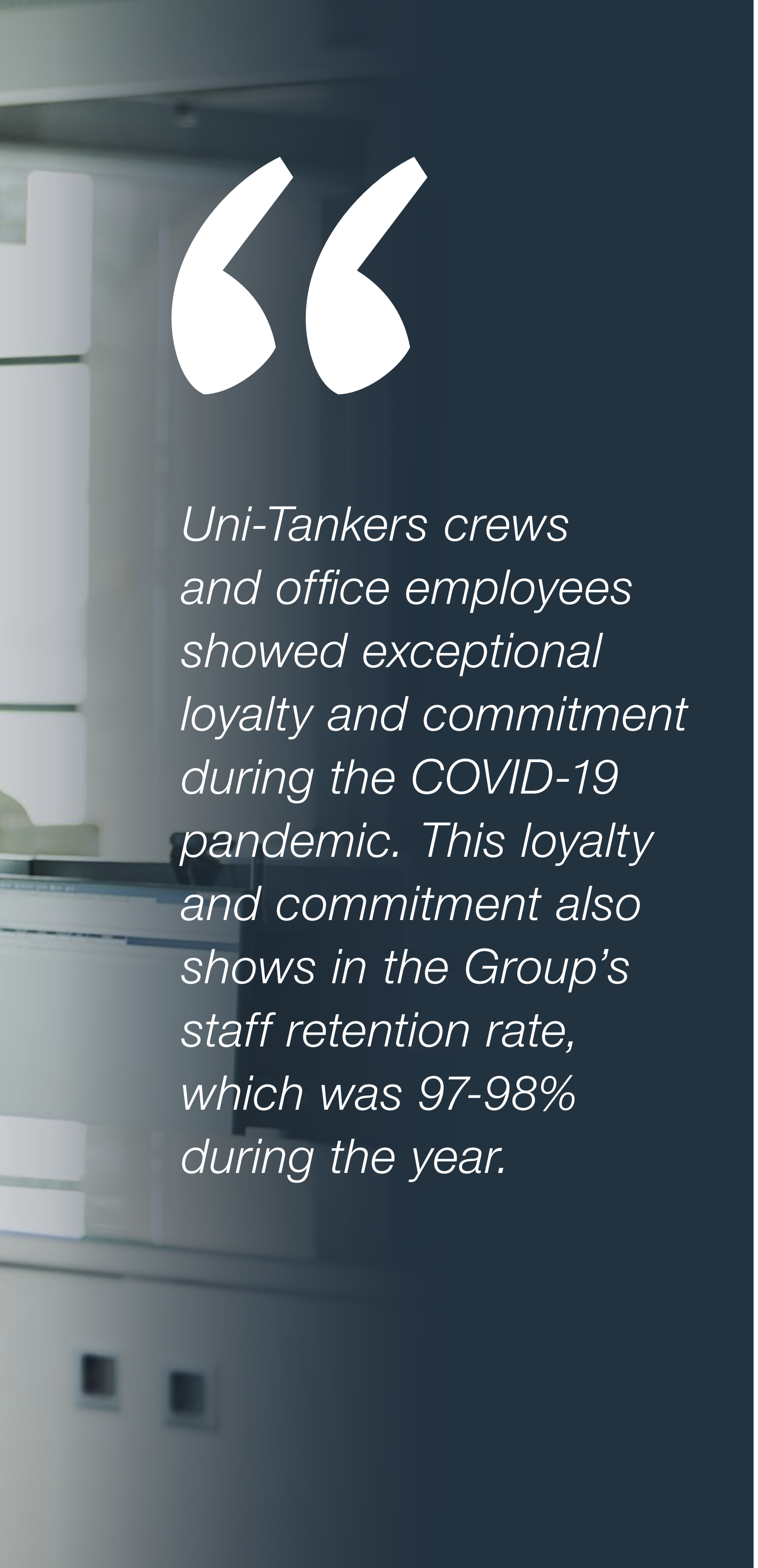
Anti-corruption

Uni-Tankers is aware that the Group operates in parts of the world where there is a higher risk of corruption. The Group is attentive to the risks of corruptive behaviour and the limitations that corruptive behaviour may have on Uni-Tankers' ability to run an efficient business. Therefore, Uni-Tankers follows the code of conduct developed by USTC. Moreover, Uni-Tankers complies with supplier and customer codes of conduct in order to combat corruptive behaviour.

Uni-Tankers operates in full compliance with applicable competition and anti-corruption laws, as well as relevant rules and legislations in the countries in which the Group operates. Mandatory compliance is also spelled out in the Group's Safety Management System, which states that employees are prohibited from directly or indirectly offering, giving, soliciting or receiving any form of bribe, kickback or other corrupt payment.

FEO SWAN mooring in
Brunsbüttel Lock

Uni-Tankers Head Office, Middelfart



"Uni-Tankers crews and office employees showed exceptional loyalty and commitment during the COVID-19 pandemic. This loyalty and commitment also shows in the Group's staff retention rate, which was 97-98% during the year.

Results concerning anti-corruption

In 2020/21, Uni-Tankers continued to keep its employees informed of company policies regarding anti-corruption both via Uni-Tankers' Maritime Standards Department and cruise seminars aimed at employees in high-risk areas.

Due to the COVID-19 pandemic, it has not been possible to conduct the annual officers' seminars. Seminars will be held as soon as it is possible in the coming financial year. In the meantime, Uni-Tankers has kept all key personnel updated on the Group's anti-corruptive procedures and values via monthly newsletters and bulletins to all crews, thereby ensuring that all are aware of and compliant with same.

Uni-Tankers has no reason to suspect that any violation of the anti-corruption policies has taken place during this financial year.

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

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

At present, 22% of the members of the board elected by the shareholder's meeting are female. The gender composition in the Group's Board of Directors changed as the Board of Directors welcomed one new female member. Uni-Tankers aims to have 33.3% female members of the Board of Directors by 2024.

To obtain this gender representation position, Uni-Tankers will make sure the underrepresented gender is included on the list of candidates. However, the Group reserves the right to decide on the best-qualified candidate(s), regardless of gender.

Policy for the underrepresented gender at other management levels

Company policy states that employees, irrespective of gender, must have equal career and management opportunities and that the Group will have an open-minded and unprejudiced company 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.

In 2020/21, Uni-Tankers' commitment to the Charter for More Women in Shipping signed in 2019 remained strong, and the Group continues to live up to its Charter obligations in both Denmark and the foreign offices with initiatives ranging from specific recruitment drives to more general inclusion work.

Efforts to increase the share of the underrepresented gender are disclosed in the financial statements of the Parent Company, A/S United Shipping & Trading Company for 2020/21.

Currently, women account for approximately 34% of all Uni-Tankers onshore employees.

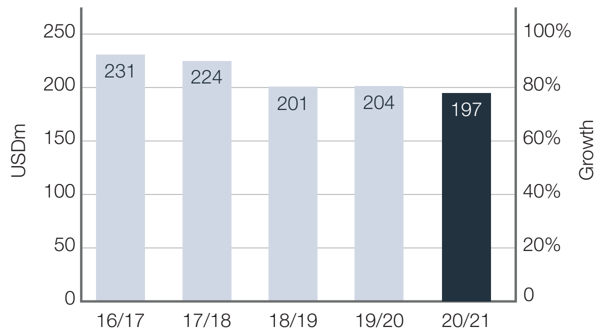
FINANCIAL REVIEW

Comparative figures for 2019/20 are stated in brackets.

Operating activities
Revenue decreased by 3.4% to USD 197.4 million (USD 204.4 million) on the back of a challenging market as a result of the COVID-19 pandemic.

Direct expenses increased to USD 139.2 million (USD 136.7 million). Direct expenses consist of bunkers, port expenses and other voyage expenses, and hire payments for time-chartered vessels. The increase in direct expenses is mainly due to larger TC vessels and more stainless steel tonnage, which are more expensive in TC hire.

Gross profit for the year decreased by USD 9.6 million to USD 58.2 million (USD 67.8 million).



Revenue and Growth

Staff and other external expenses decreased to USD 43.6 million (USD 44.0 million).

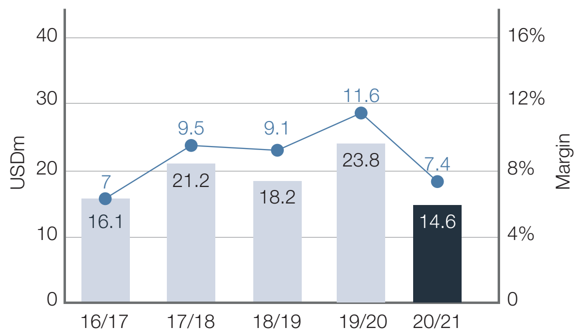
Due to the challenging market conditions, EBITDA decreased by USD 9.2 million to USD 14.6 million (USD 23.8 million).

Depreciation and amortisation increased to USD 17.9 million (USD 16.7 million), due to investments in the vessels, among others ballast water treatment systems.

Net financial expenses amounted to USD 2.9 million (USD 6.0 million), due to decreased interest rates on vessel loans.

Net result after tax for 2020/21 was a loss of USD 5.5 million (profit of USD 2.2 million).

Balance sheet and capital position on 30 April 2021, total assets amounted to USD 196.2 million (USD 203.6 million).



EBITDA

Vessels
Book value of vessels and equipment remained unchanged at USD 161.8 million (USD 161.9 million). Eight of the Group's owned vessels have been dry-docked for repair works and statutory surveys, amounting in total investments to USD 15.5 million (USD 6.6 million), while ordinary depreciation amounted to USD 17.1 million (USD 15.8 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, 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 broker valuations with the calculated value in use. The impairment test is based on continued operation of the Group's fleet stated as the net present value of future estimated net freight income. Further, the current COVID-19 pandemic still causes short-term uncertainty in the market with some negative effects on the latest valuations.

The value in use of vessels is heavily affected by the development in freight rates which is still subject to material uncertainty.

Management has made their best estimate of the development in freight rates etc. and considers the assumptions reasonable.

The impairment test has not resulted in a need for write-down on the Group's fleet and there is a significant headroom.

Equity

On 30 April 2021, equity was USD 69.7 million (USD 72.7million) decreased by a loss for the year of USD 5.5 million and increased by adjustment of hedging instruments of USD 2.6 million. The solvency rate on 30 April 2021 is 35.5% (35.7%).

Debt to credit institutions

Total debt to credit institutions decreased to USD 103.6 million (USD 109.9 million) following ordinary loan repayments.

Cash flow and financial resources

The Group's cash flow from operating activities decreased to USD 15.7 million (USD 24.1 million) reflecting the decrease in EBITDA and a positive change in working capital of USD 3.8 million (USD 4.4 million), and lower interest costs.

Investing activities affected cash flow negatively by USD 17.3 million (USD 9.9 million) primarily comprising docking expenses and other investments in vessels.

Financing activities have a negative cash effect of USD 10.4 million (USD 10.2 million).

Cash and cash equivalents decreased by USD 12.0 million in 2020/21 to USD -1.9 million (USD 10.1 million).

The financing agreement with Danske Bank is effective until end of April 2026, and Management considers the current capital resources and liquidity adequate for the continued operation and further development of the Group.

SAMUS SWAN in the Little Belt

From left: Peter Appel, Klaus Nyborg, Mia Østergaard Nielsen, Torben Østergaard-Nielsen, Nina Østergaard Borris, Torben Janholt, Morten H. Buchgreitz, Peter Frederiksen, and Peter Korsholm.

BOARD OF DIRECTORS

Morten H. Buchgreitz
Board member

Born in 1967.
Board member since 2014.
Member of the Group Executive Management of Ørsted A/S from 2002-2021 (Distribution and Customer Solutions).

Special competences
Extensive and in-depth knowledge and experience with 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, Bunker Holding A/S, K/S Habro-Lowestoft, K/S Meiderich and Aps Habro Komplementar-19.

Education
MSc in Business Administration and Computer Science.

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 Board in Sund & Bælt Holding A/S 2016-2021. Chairman/Vice Chairman of the Board in Oeresundsbro Konsortiet 2017-2021. 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.

Klaus Nyborg
Vice Chairman

Born in 1963.
Vice Chairman since 2012.
Board management and investment.

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 A/S United Shipping & Trading Company, Norden A/S, Bawat A/S, Moscord Pte. Ltd. and the investment committee Maritime Investment Fund 1 K/S and Maritime Investment Fund 2 K/S. Vice Chairman of the boards in Bunker Holding A/S and DFDS A/S. Member of the boards in Karen og Poul F. Hansens Familiefond, X- Press Feeders Ltd. and Norchem A/S. Director of Return ApS.

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

Nina Østergaard Borris
Board member

Born in 1983.
Board member since 2014.
COO and owner of the USTC Group (A/S United Shipping & Trading Company).

Special competences
Company evaluations, mergers & acquisitions, financial due diligence, business restructuring, reorganisation, turnarounds and compliance.

Other directorships
Member of the boards in A/S United Shipping & Trading Company, SDK FREJA A/S, Bunker Holding A/S and Unit IT A/S.

Education
Master's degree in applied economics and finance (Cand. merc. AEF) supplemented by courses at Harvard University and London School of Economics and Political Science.

Torben Østergaard-Nielsen
Chairman

Born in 1954.
Board member since 1994.
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 and bunker industry.

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

Other
German Honorary Consul from 1988-2020.
Member of Corps Consulaire since 1988.
Member of Danske Bank Erhvervsråd.

Torben Janholt
Board member

Born in 1946.
Board member since 2006.
Professional board member.

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
Member of the boards in A/S United Shipping & Trading Company, Bunker Holding A/S and Torm PLC (2015-2021).

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

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 and parent company, Nymølle Stenindustrier A/S and the Investment Committee of Zoscales Partners. Member of the boards in Bunker Holding A/S, Uni-Tankers A/S, DSVM Invest A/S and certain subsidiaries, DANX Holding I A/S and certain subsidiaries and Ørsted A/S.

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

Peter Appel
Board member

Born in 1961.
Board member since 2019.
Partner, Gorrissen Federspiel law firm.

Special competences
In-depth knowledge and extensive experience within legal matters related to the shipping industry, as an adviser to and member of directors in a number of Danish shipping companies and investment foundations with connections to the area. Specialised in the transport sector and infrastructure projects, including extensive knowledge about ferry service, train and harbour projects.

Other directorships
Chairman of the boards in Deloitte Fonden, Clipper Group A/S, Fayard Holding Aps, Fayard A/S and Den Danske Søretsforening. Member of the boards in A/S United Shipping & Trading Company, Bunker Holding A/S, SDK FREJA A/S, Clipper Group Ltd., BIMCO Informatique A/S, Norchem A/S, British Chamber of Commerce in Denmark, Sølovsudvalget and Maritime Development Center.

Education
LL.M. (Master of Laws), Copenhagen. Maritime Law, University of Oslo. LL.M with Merit in Commercial and Corporate Law, London School of Economics.

Mia Østergaard Nielsen
Board member

Born in 1989.
Board member since 2020.
Associate, Spencer Stuart.
Owner of the USTC Group (A/S United Shipping & Trading Company).

Special competences
Executive search and leadership assessments. Sparring partner for large CAP and PE owned companies on CFO talent pool as well as C-suite succession planning and psychometric testing and in-depth interviewing.

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

Education
MSc in Human Resource Management supplemented by courses at Harvard University and London School of Economics.

JUTLANDIA SWAN docking

FINANCIAL STATEMENTS

INCOME STATEMENT
1 MAY-30 APRIL

		Group		Parent Company	
USD '000	Note	2020/21	2019/20	2020/21	2019/20
Revenue	1	**197,401**	**204,436**	**197,401**	**204,436**
Direct expenses		(139,199)	(136,699)	(197,311)	(204,003)
Other operating income		(4)	99	28,295	27,075
Gross profit		**58,198**	**67,836**	**28,385**	**27,508**
Staff expenses	2	(29,103)	(28,198)	(26,738)	(26,280)
Other external expenses		(14,486)	(15,837)	(2,438)	(2,594)
Profit/loss before depreciation, etc, (EBITDA)		**14,609**	**23,801**	**(791)**	**(1,366)**
Depreciation and amortisation		(17,908)	(16,730)	(231)	(293)
Profit/loss before financial income and expenses		**(3,299)**	**7,071**	**(1,022)**	**(1,659)**
Result in subsidiaries		0	0	(5.176)	1,506
Financial income	3	1,176	301	1,552	2,990
Financial expenses	4	(4,070)	(6,270)	(568)	(23)
Profit/loss before tax		**(6,193)**	**1,102**	**(5,214)**	**2,814**
Corporation tax	5	665	1,094	(314)	(618)
Net profit/loss for the year		**(5,528)**	**2,196**	**(5,528)**	**2,196**
Distribution of profit/loss	6				

BALANCE SHEET ON 30 APRIL

Assets

USD '000	Note	Group 2021	Group 2020	Parent Company 2021	Parent Company 2020
Goodwill		392	981	0	0
Software		524	502	524	502
Intangible assets	7	**916**	**1,483**	**524**	**502**
Vessels and equipment		161,790	161,910	0	0
Fixtures and fittings, tools and equipment		55	19	36	3
Leasehold improvements		105	134	100	134
Prepayments		74	57	74	57
Property, plant and equipment	8	**162,024**	**162,120**	**210**	**194**
Investments in subsidiaries		0	0	9,983	10,628
Fixed asset investments	9	**0**	**0**	**9,983**	**10,628**
Fixed assets		**162,940**	**163,603**	**10,717**	**11,324**
Inventories		4,038	2,145	0	0
Inventories		**4,038**	**2,145**	**0**	**0**
Trade receivables		10,924	10,975	10,396	9,552
Receivables from group enterprises		486	423	83,539	57,951
Other receivables		317	377	282	341
Corporation tax	10	8,565	7,107	0	0
Prepayments		6,860	8,871	464	3,029
Receivables		**27,152**	**27,753**	**94,681**	**70,873**
Cash and cash equivalents		**2,108**	**10,107**	**953**	**7,254**
Current assets		**33,298**	**40,005**	**95,634**	**78,127**
Total assets		**196,238**	**203,608**	**106,351**	**89,451**

BALANCE SHEET ON 30 APRIL

Equity and liabilities

		Group		Parent Company	
USD '000	Note	2021	2020	2021	2020
Share capital		10,990	10,990	10,990	10,990
Retained earnings		58,663	61,686	58,663	61,686
Equity		**69,653**	**72,676**	**69,653**	**72,676**
Other provisions		0	0	1,936	1,740
Provisions		**0**	**0**	**1,936**	**1,740**
Credit institutions	11	89,405	99,281	0	0
Other payables		1,052	728	1,052	728
Long-term liabilities		**90,457**	**100,009**	**1,052**	**728**
Credit institutions	11	14,207	10,644	3,986	0
Trade payables		12,302	9,590	958	472
Payables to group enterprises		7,245	1,891	24,554	7,069
Corporation tax		8	8	2,683	2,173
Other payables		1,531	7,306	1,507	4,593
Deferred income		835	1,484	0	0
Short-term liabilities		**36,128**	**30,923**	**33,688**	**14,307**
Liabilities		**126,585**	**130,932**	**34,740**	**15,035**
Total equity and liabilities		**196,238**	**203,608**	**106,351**	**89,451**
Deferred tax	12				
Derivative financial instruments	13				
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STATEMENT OF CHANGES IN EQUITY

2020/21	Group					Parent Company				
USD '000	Share capital	Retained earnings	Reserve for fair value adjustments	Reserve for exchange adjustments	Total	Share capital	Retained earnings	Reserve for fair value adjustments	Reserve for exchange adjustments	Total
Equity on 1 May	10,990	61,686	0	0	72,676	10,990	61,686	0	0	72,676
Exchange rate adjustments	0	0	0	(46)	(46)	0	0	0	(46)	(46)
Fair value adjustment of hedging instruments	0	0	2,551	0	2,551	0	0	2,551	0	2,551
Net profit for the year	0	(5,528)	0	0	(5,528)	0	(5,528)	0	0	(5,528)
Equity on 30 April	**10,990**	**56,158**	**2,551**	**(46)**	**69,653**	**10,990**	**56,158**	**2,551**	**(46)**	**69,653**

2019/20	Group			Parent Company		
USD '000	Share capital	Retained earnings	Total	Share capital	Retained earnings	Total
Equity on 1 May	10,990	62,702	73,692	10,990	62,702	73,692
Exchange rate adjustments	0	(52)	(52)	0	(52)	(52)
Fair value adjustment of hedging instruments	0	(3,160)	(3,160)	0	(3,160)	(3,160)
Net loss for the year	0	2,196	2,196	0	2,196	2,196
Equity on 30 April	**10,990**	**61,686**	**72,676**	**10,990**	**61,686**	**72,676**

CASH FLOW STATEMENT
1 MAY-30 APRIL

Group

USD '000	2020/21	2019/20
Loss for the year before tax	(6,193)	1,102
Reversal of depreciation, amortisation, write-down, profit from sale of assets, and exchange rate adjustments for the year	17,908	16,771
Amortisation of loan costs	182	114
Changes in inventories	(1,893)	1,255
Changes in receivables	1,239	3,499
Changes in trade payables and other debt, etc	4,438	1,404
Cash flow from ordinary activities	**15,681**	**24,145**
Corporation tax paid	(8)	(9)
Cash flow from operating activities	**15,673**	**24,136**
Purchase of property, plant and equipment	(17,044)	(11,728)
Sale of vessel	0	2,150
Purchase of intangible assets	(209)	(298)
Cash flow from investing activities	**(17,253)**	**(9,876)**
Repayment/raising of loans from credit institutions (net)	(10,404)	(10,237)
Cash flow from financing activities	**(10,404)**	**(10,237)**
Changes in cash and cash equivalents	**(11,984)**	**4,023**
Cash and cash equivalents on 1 May	10,107	6,084
Cash and cash equivalents on 30 April	**(1,877)**	**10,107**

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. Revenue

USD '000 Geographical markets	Group 2020/21	Parent Company 2020/21
USA	38,101	38,101
Europe/Middle East	150,097	150,097
Asia Pacific	9,203	9,203
	197,401	**197,401**

The Group's activities are considered one segment, which is transportation of oil and chemicals.

2. Staff expenses

	Group		Parent Company	
USD '000	**2020/21**	**2019/20**	**2020/21**	**2019/20**
Rented crew	(8,534)	(9,024)	(8,212)	(9,024)
Wages and salaries	(13,879)	(12,820)	(11,903)	(10,955)
Pensions	(800)	(712)	(730)	(662)
Social security expenses	(913)	(856)	(370)	(390)
Other staff expenses	(4,977)	(4,786)	(5,523)	(5,249)
	(29,103)	**(28,198)**	**(26,738)**	**(26,280)**
Average number of employees The figures include rented crew on vessels	630	629	614	613
Including remuneration to the Executive Board and Board of Directors of:				
Executive Board	626	817	626	817
Supervisory Board	224	201	224	201
	850	**1,018**	**850**	**1,018**

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 for the Parent Company.

NOTES TO THE FINANCIAL STATEMENTS

3. Financial income

USD '000	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Intercompany interest income	1	0	1,552	2,881
Exchange rate adjustments	1,175	193	0	0
Other financial income	0	108	0	109
	1,176	**301**	**1,552**	**2,990**

4. Financial expenses

USD '000	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Other financial expenses	(4,070)	(6,270)	(568)	(23)
	(4,070)	**(6,270)**	**(568)**	**(23)**

5. Corporation tax

USD '000	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Current tax for the year	665	1,094	(314)	(618)
	665	**1,094**	**(314)**	**(618)**

NOTES TO THE FINANCIAL STATEMENTS

6. Distribution of profit/loss

USD '000	Group 2020/21	Group 2019/20	Parent Company 2020/21	Parent Company 2019/20
Proposed distribution of loss:				
Retained earnings	(5,528)	2,196	(5,528)	2,196
	(5,528)	**2,196**	**(5,528)**	**2,196**

7. Intangible assets

USD '000	Goodwill	Software
Group		
Cost on 1 May	5,887	2,377
Exchange rate adjustments	0	(3)
Additions for the year	0	211
Cost on 30 April	**5,887**	**2,585**
Depreciation and amortisation on 1 May	4,906	1,875
Exchange rate adjustments	0	(1)
Depreciation and amortisation for the year	589	187
Depreciation and amortisation on 30 April	**5,495**	**2,061**
Carrying amount on 30 April	**392**	**524**
Parent Company		
Cost on 1 May	-	2,306
Additions for the year	-	209
Cost on 30 April	**-**	**2,515**
Depreciation on 1 May	-	1,804
Depreciation for the year	-	187
Depreciation on 30 April	**-**	**1,991**
Carrying amount on 30 April	**-**	**524**

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 on 1 May	303,659	1,075	295	57
Exchange rate adjustments	0	(25)	(4)	0
Additions for the year	16,960	57	8	17
Disposals for the year	(2,945)	0	0	0
Cost on 30 April	**317,674**	**1,107**	**299**	**74**
Depreciation on 1 May	141,749	1,056	161	0
Exchange rate adjustments	0	(19)	(4)	0
Depreciation for the year	17,080	15	37	0
Reversed depreciation on disposals for the year	(2,945)	0	0	0
Depreciation on 30 April	**155,884**	**1,052**	**194**	**0**
Carrying amount on 30 April	**161,790**	**55**	**105**	**74**
Parent Company				
Cost on 1 May	0	601	264	57
Additions for the year	0	39	2	17
Cost on 30 April	**0**	**640**	**266**	**74**
Depreciation on 1 May	0	598	130	0
Depreciation for the year	0	6	36	0
Depreciation on 30 April	**0**	**604**	**166**	**0**
Carrying amount on 30 April	**0**	**36**	**100**	**74**

NOTES TO THE FINANCIAL STATEMENTS

9. Fixed asset investments

USD '000

	Investments in subsidiaries
Parent Company	
Cost on 1 May	119,402
Additions for the year	6,114
Disposals for the year	(4,142)
Cost on 30 April	**121,374**
Value adjustments on 1 May	(108,774)
Exchange rate adjustments	55
Net loss for the year	(4,587)
Fair value adjustment of hedging instruments for the year	2,551
Amortisation of goodwill	(589)
Equity investments with negative net asset value transferred to provisions	196
Reversals for the year of revaluations in previous years	3,218
Extra ordinary dividend	(3,461)
Value adjustments on 30 April	**(111,391)**
Carrying amount on 30 April	**9,983**
Remaining positive difference included in the above carrying amount	392

Investments in subsidiaries are specified as follows:

Name	Place of reg. office	Ownership share
Uni-Chartering A/S	Middelfart	100%
Uni-Tankers (Gibraltar) Ltd.	Gibraltar	100%
Uni-Tankers Denizcilik VE TIC.LTD.STI	Istanbul	100%
Uni-Tankers USA LLC	Houston	100%
Uni-Tankers France EURL	Mougins	100%
UT Latam A/S	Middelfart	70%
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%

NOTES TO THE FINANCIAL STATEMENTS

9. Fixed asset investments (continued)

Name	Place of reg. office	Ownership share
Uni-Tankers M/T Boringia Swan ApS	Middelfart	100%
Uni-Tankers M/T Anhout Swan ApS	Middelfart	100%
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 Mandia Swan ApS	Middelfart	100%

10. Corporation tax, Group

USD ‘000	2020/20	2019/20
Corporate tax, current year	665	1,094
Corporate tax, joint taxation prior years	7,900	6,013
	8,565	**7,107**

11. Credit institutions

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

12. Latent tax

The Company is subject to the tonnage tax scheme. Tax may become payable on the sale of vessels or on withdrawal from the tonnage tax scheme. The Latent tax is 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 287k. Adjustments related to the fair market value are recognised in equity. The contracts have a maturity of 1-8 months.

14. Security and contractual obligations

Group

Security
The Group has provided security in vessels and equipment for debt to credit institutions of USD 99,626k. At the balance sheet date, the carrying amount of the assets provided as security was USD 161,790k.

Rental and lease obligations
The Group has concluded contracts with the following obligations:
» Tenancy contract with group enterprises with a total obligation of USD 732k
» Operating leases with a total obligation of USD 484k
» Time-charter contracts with a total obligation of USD 40,502k.

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 group enterprises	275	457	0
Operating leases	297	187	0
Time-charter contracts	40,502	0	0
	41,074	**644**	**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 99,626k in respect of the obligations of group enterprises toward credit institutions. At the balance sheet date, the obligations of group enterprises amounted to USD 99,626k.

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 9,983k.

Rental and lease obligations
The Company has concluded an operating lease with a total obligation of USD 512k.

USD '000	Within 1 year	Between 1 and 5 years	After 5 years
Tenancy contracts with group enterprises	0	0	0
Operating leases	232	280	0
	232	**280**	**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 SelfGenerations T ApS, Turbinevej 10, 5500 Middelfart, in which Torben Østergaard-Nielsen (5500 Middelfart), CEO, exercises control.

16. Fee to auditors appointed at the general meeting

USD '000	2020/21	2019/20
Group		
PricewaterhouseCoopers		
Fee for statutory audit	97	84
Tax services	10	28
Non-audit services	160	23
	267	**135**
MooreStephens		
Fee for statutory audit	5	6
Non-audit services	10	4
	15	**10**

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 2020/21 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 2020/21 is presented in USD thousands. On 30 April 2021, the year-end exchange rate for USD/DKK was 6.13. The comparative figures are translated at the historical year-end exchange rate which as of 30 April 2020 was 6.86.

Recognition and measurement

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

Revenues are recognised in the income statement as earned, geographical markets are defined by the customers base. 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.

ALSIA SWAN departure from Frederikstad

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 ship-owning 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 comprise items of a secondary nature to the main activities of the group, including gains and losses on the sale of intangible assets and property, plant and equipment.

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 ship-owning 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.

Uni-Tankers Head Office, Middelfart

BORINGIA SWAN, Fredericia

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 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. Net selling is based on broker valuations.

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 8.7% p.a. after tax and exchange rates at the level of the actual rates of exchange on 30 April 2021 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 2021/22, an annual increase in freight rates corresponding to the market having reached the expected level in 2024/25 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 2024/25, 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 amoung other 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 carry-forwards, 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.


ALSIA SWAN departure from Fredericia

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

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

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

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

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

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

MANAGEMENT'S STATEMENT

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 2020-30 April 2021.

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 on 30 April 2021 and of the results of the Parent Company and Group operations and consolidated cash flows for 2020/21.

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, 24 June 2021.

Executive Board

Per Ekmann

Thomas Thomsen

Board of Directors

Torben Østergaard-Nielsen
Chairman

Klaus Nyborg
Deputy Chairman

Peter Appel

Torben Janholt

Peter Frederiksen

Nina Østergaard Borris

Peter Korsholm

Morten Hultberg Buchgreitz

Mia Østergaard Nielsen

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDER 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 on 30 April 2021, 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 2020-30 April 2021 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 2020-30 April 2021, 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, 24 June 2021

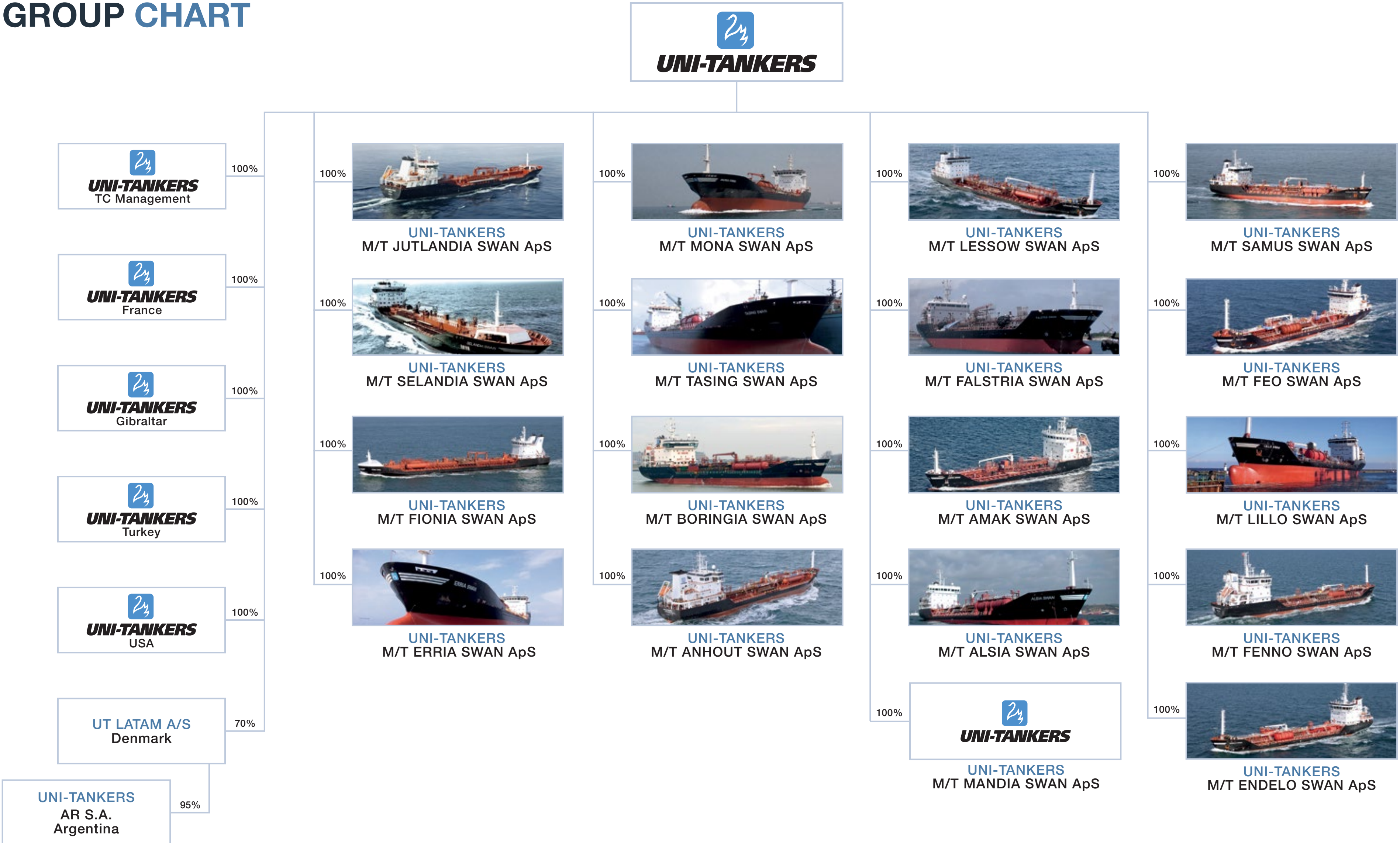
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Company reg. no.: 33 77 12 31

Gert Fisker Tomczyk
State Authorised Public Accountant
mne9777

Henrik Forthoft Lind
State Authorised Public Accountant
mne34169

LILLO SWAN passing through Montreal

GROUP CHART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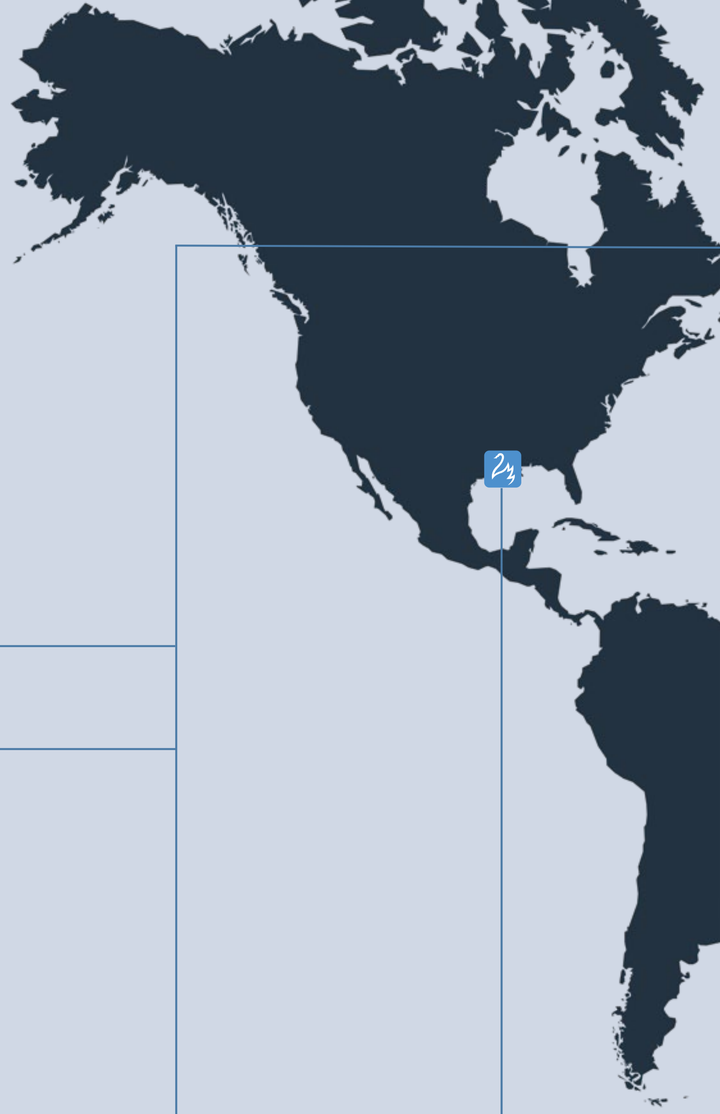

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