

The Annual Report was presented and adopted at the  
Company's Annual General Meeting on 28 June 2022



Chairman of the meeting: Peter Appel

Financial Year: 1 May 2021 - 30 April 2022  
Turbinevej 10, 5500 Middelfart, Denmark

# ANNUAL REPORT

## 2021/2022

**UNI-TANKERS**



# A MATTER — OF CH<sub>3</sub>EMISTRY

**We are not only shipping chemicals and oil.  
We are shipping trust.**

Each year, we move the vital components of everyday life across millions of nautical miles. Every journey is powered by our experience, bound by precision, and made possible by the skilled men and women serving our customers on land and at sea.

We understand that shipping is more than vessels and cargoes. It is more than being at the right place at the right time. It is about people. It is about understanding the trust our customers place in our hands.

And - not least - it is about making our presence felt.  
As a global company, we know local challenges and opportunities.  
We know your business and how to handle your liquid cargo.  
But most importantly: We know you. And you know us.

**After All. Shipping Is A Matter Of Chemistry.**

# TABLE OF CONTENTS

## **1** KEY FIGURES AND FINANCIAL RATIOS

Page 05

## **2** MANAGEMENT REVIEW

Page 09

## **3** ESG ENVIRONMENTAL, SOCIAL & GOVERNANCE

Page 21

## **4** FINANCIAL REVIEW

Page 49

## **5** FINANCIAL STATEMENTS

Page 53

## **6** NOTES TO FINANCIAL STATEMENTS

Page 61

## **7** BOARD OF DIRECTORS

Page 81

## **8** MANAGEMENT'S STATEMENT

Page 87

## **9** GROUP CHART

Page 93

## **10** COMPANY INFORMATION

Page 97



**226.3**  
MILLION USD REVENUE

**32.9 %**  
SOLVENCY AT YEAR-END

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

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

**40** VESSELS  
AT YEAR-END

**11.03** YEARS  
FLEET AVERAGE AGE

**349,202**  
DWT IN TOTAL

Uni-Tankers is a leading tanker shipping company trading in the intermediate and small tanker segment. The company operates 40 owned and time-chartered vessels, and the fleet is one of the youngest in its core markets.

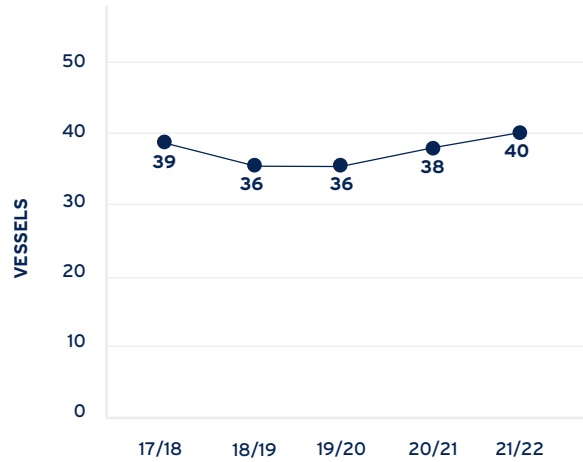
Uni-Tankers strives to offer best-in-class service through technical superiority and an open, accommodating culture, which shows in the company's growing list of industry major clients.



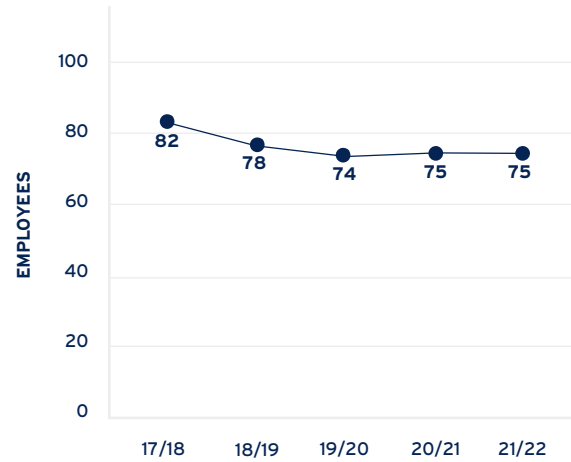
1

KEY FIGURES  
AND FINANCIAL  
RATIO<sub>2</sub>S

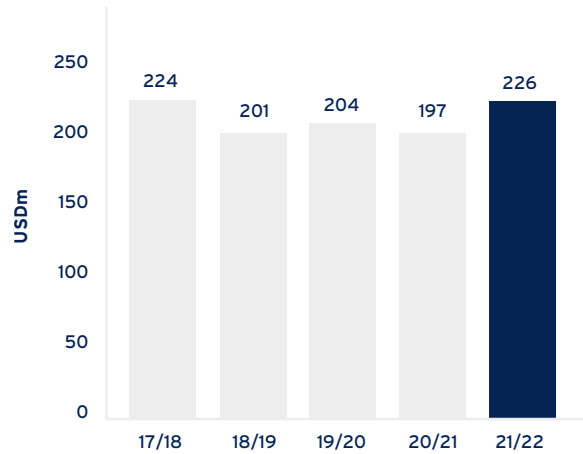
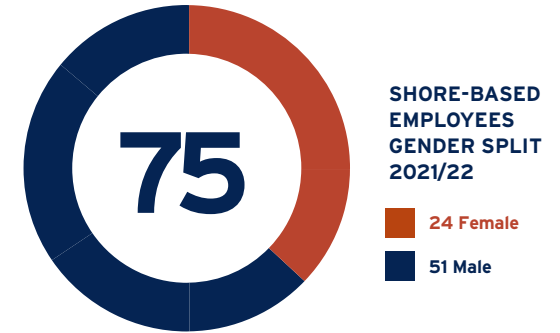
# KEY FIGURES AND FINANCIAL RATIOS



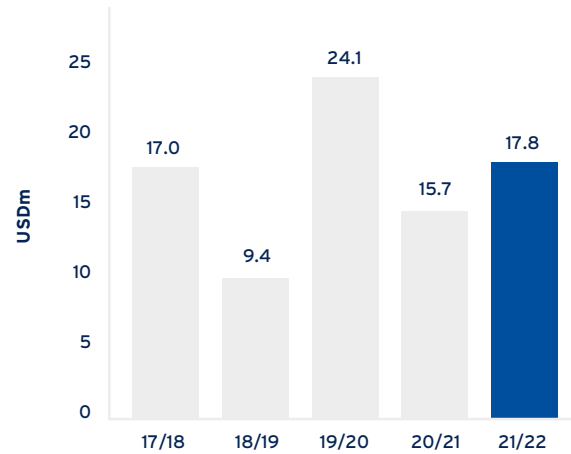
FLEET OF OWNED AND TIME-CHARTED VESSELS



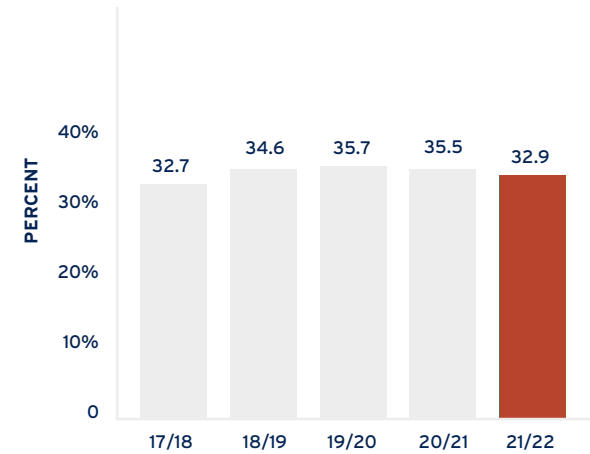
SHORE-BASED EMPLOYEES



REVENUE



CASH FLOW FROM OPERATING ACTIVITIES



SOLVENCY RATIO %

## KEY FIGURES AND FINANCIAL RATIOS

USD '000	2021/22	2020/21	2019/20	2018/19	2017/18
<b>KEY FIGURES</b>					
<b>Income statement</b>					
Revenue	<b>226,270</b>	197,401	204,436	201,304	223,901
EBITDA	<b>20,024</b>	14,609	23,801	18,222	21,165
Profit before financial income and expenses	<b>(1,754)</b>	(3,299)	7,071	(22,024)	1,350
Net financials	<b>(3,805)</b>	(2,894)	(5,969)	(7,696)	(4,581)
Loss before tax	<b>(5,559)</b>	(6,193)	1,102	(29,720)	(3,231)
Net loss for the year	<b>(5,064)</b>	(5,528)	2,196	(28,247)	(2,028)
<b>Balance sheet</b>					
Balance sheet total	<b>196,320</b>	196,238	203,608	213,118	250,240
Equity	<b>64,554</b>	69,653	72,676	73,692	81,727
<b>Cash flows</b>					
Cash flows from:					
- operating activities	<b>17,758</b>	15,673	24,136	9,373	17,042
- investing activities	<b>(17,553)</b>	(17,253)	(9,876)	(8,076)	(9,598)
- financing activities	<b>3,163</b>	(10,404)	(10,237)	(8,000)	(8,000)
Change in cash and cash equivalents for the year	<b>3,368</b>	(11,983)	4,023	(6,703)	(557)
<b>Employees</b>					
	<b>629</b>	630	629	604	592
<b>RATIOS</b>					
Gross margin	<b>29.5%</b>	29.5%	33.2%	31.8%	29.7%
Profit margin	<b>(0.8%)</b>	(1.7%)	3.5%	(10.9%)	0.6%
Return on equity	<b>(7.6%)</b>	(7.8%)	3.0%	(36.3%)	(2.5%)
Liquidity ratio	<b>0.83</b>	0.92	1.29	1.51	1.60
Solvency ratio	<b>32.9%</b>	35.5%	35.7%	34.6%	32.7%

For definitions, see under accounting policies (page 72)





The background of the slide is a vibrant, high-angle view of clear blue water, showing ripples and light filtering through from above. The colors range from deep cerulean to bright turquoise.

2

---

MANAGEMENT  
REVI<sub>3</sub>EW



Uni-Tankers moved forward with its ambitious fleet strategy during the year, adding new stainless steel and ECO tonnage to its growing time-charter fleet - with more to come.

# MANAGEMENT REVIEW

## 2021/22 FINANCIAL YEAR HIGHLIGHTS

Continued effects of the COVID-19 pandemic created challenging conditions for the tanker segment in 2021/22. Pandemic-related supply-chain issues, including higher prices on steel, oil, and bunker fuel, had a particularly negative impact on Uni-Tankers' business during the financial year.

While these developments resulted in a loss for 2021/22, the Group benefitted from a significant and sustained upward trend from early in the fourth quarter (Q4) and saw a profitable second half year. Combined with the Group's financial strength and new strategy-related initiatives, this positive trend gives rise to considerable optimism regarding the coming financial year.

In 2021/22, the Group's revenue increased by 14.6%, while direct and staff/other costs increased by 12.7%, yielding a net loss for the 2021/22 financial year of USD 5.1 million. This amounts to an increase of USD 0.5 million, a result that Management finds dissatisfactory, but unsurprising given market conditions in the first half of the financial year.

Despite the market challenges of 2021/22, the Group continued to develop its business, with ample financing in place via an updated bank agreement that will remain in effect until 2026. Specific developments included a

revised strategy, continued investments in our people, continued modernization of our fleet - including an increase in stainless steel and ECO tonnage - and a new corporate brand that better reflects who we are today.

## PEOPLE

On 11 September 2021, a fire broke out on M/T Samus Swan. Tragically, this resulted in a fatality on board.

Employee safety is Uni-Tankers' absolute top priority, and the Group does everything in its power to prevent injuries and potentially dangerous incidents that can cause them. The Group responded to the incident in accordance with policy and engaged an external party to conduct an independent study into the cause of the accident. In addition, all safety procedures and employee training programs and materials were reviewed and updated.

COVID-19 continued to affect Uni-Tankers' employees in 2021/22, and our onshore and offshore staff once again showed tremendous company spirit as they dealt with the various consequences of the pandemic. To support our crews and help keep spirits high through tough times we launched several initiatives, including onboard social sports competitions between crews on all our vessels.

We also continued to invest in crew training - holding a Senior Officers Conference that involved leadership

development, simulator training, crew stress tests, and work on personal development plans. And we invited crew members to visit our offices, helping them to improve their understanding of our onshore work and to become stronger ambassadors for the Uni-Tankers Group.

On the technology side, we deployed a new system that links vessels directly with our office HR systems and uses BI (Business Intelligence) technology to automatically upload and generate documentation for our captains, saving time and tedious paperwork. We also began implementing an intranet solution - "MyCrew" - for all crews. This major investment in offshore-onshore integration will vastly improve information flow, contact and interaction between our crews and office staff. We expect to launch the solution in summer of 2022.

On shore, we hired four Uni-Tankers trainees in 2021/22, the largest number we have ever employed at the same time. The fact that these trainees were drawn from 92 applicants shows that Uni-Tankers is very able to attract new employees, even in a challenging job market.

From recruitment to leadership development, all our work with human resources is now benefiting from our efforts to exploit synergies with other USTC companies - work that included moving our own HR function into the much larger USTC HR department.

“While market conditions were tough through most of the financial year, improvements during the second half of the financial year point to an upward trend that we are well positioned to exploit.”

**THOMAS THOMSEN, CFO**





“In a year of global unrest, we leveraged our financial strength and are now able to continue investing in a bright future for the Uni-Tankers Group.”

PER EKMANN, CEO

## STRATEGY

In 2021/22, Uni-Tankers hired a head of strategy, and a new strategy for the Group was developed and approved by the Board of Directors on 29 March 2022. The new strategy, which was subjected to an eight-week assessment period involving many Group employees, is expected to be a game changer for Uni-Tankers.

A key point in the new Uni-Tankers strategy is the market consolidation we have been noting for several years. In response to this consolidation, the Group is actively exploring potential partners in our segment.

In terms of fleet development, the Group continued to add stainless steel time-chartered vessels, while also increasing the number of ECO vessels in our fleet. These vessels are strategically important for the Uni-Tankers Group, and the “greening” of our fleet will remain a priority over the next years.

The Group also invested heavily in improved cybersecurity in 2021/22, updating both onshore systems and systems on board our own vessels with zero-trust technology. A plan for cybersecurity awareness training was also developed.

To reflect the new strategy and our evolving role in the tanker segment, Uni-Tankers launched a brand update during the financial year. The new corporate identity is based on our value propositions; Presence, Expertise, Trust, and Solutions. It is a testament to our unique DNA, It crystallizes our sense of purpose, and it unites us as a company. Internally, the new corporate brand identity has conveyed a sense of optimism and new beginnings.

The brand is being rolled out via our new website and a stronger presence on social media, with an employer branding push to follow in the near future.

## FLEET

At the beginning of the financial year, Uni-Tankers operated with a lower-than-usual number of time-chartered vessels. The share of time-charter tonnage increased, however, toward the end of the period, with stainless steel and ECO vessels strongly represented in accordance with the Group's fleet strategy.

A new safety management system was implemented during the financial year. The system features improved procedures, user access and navigation ease, a simplified procedure layout, fewer procedures and a lower word-count, as well as better integration with our fleet management system.

Further IT improvements made during 2021/22 include higher internet bandwidth on all owned vessels, convenient and cost-saving Teams telephony at nearly all offices, and multifactor access approval for all internal and external users of our IT systems.

On the hardware side, ballast water treatment systems are now installed on 13 of our 17 vessels, with installation on the remaining four vessels scheduled for 2022/23. We also began removing asbestos on all our owned vessels. Completed on six vessels so far, the project employs a unique procedure for safe asbestos removal while in operation. Asbestos-free vessels will improve health and safety conditions for our crews, a top priority for the Uni-Tankers Group.

## OUTLOOK FOR 2022/23

While market conditions were improving at the end of financial year 2021/22, and the Uni-Tankers Group remains financially strong and guided by a robust business strategy, two factors cloud an otherwise positive outlook for 2022/23.

First, it is not yet clear how long the effects of the COVID-19 pandemic will continue to negatively impact our business. Supply-chain issues and related higher costs are the major threats today, but longer-term consequences of these trends also pose risks to global economic performance and thus also performance in the tanker business.

Second, it is difficult to predict what effects the war in Ukraine will have on our segment. Uni-Tankers follows these events closely and will adapt our business strategy and tactics accordingly as conditions change, but the situation is fluid and could remain so for some time to come.

Despite these uncertainties, the Group's very strong financial performance in Q4 - resulting in a profit for the second half year as a whole - leads Management to expect a significantly improved 2022/23, including ending the coming financial year with a profit.

## 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 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 40 vessels consists of 43% vessels owned by the Group itself and 57% 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.

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

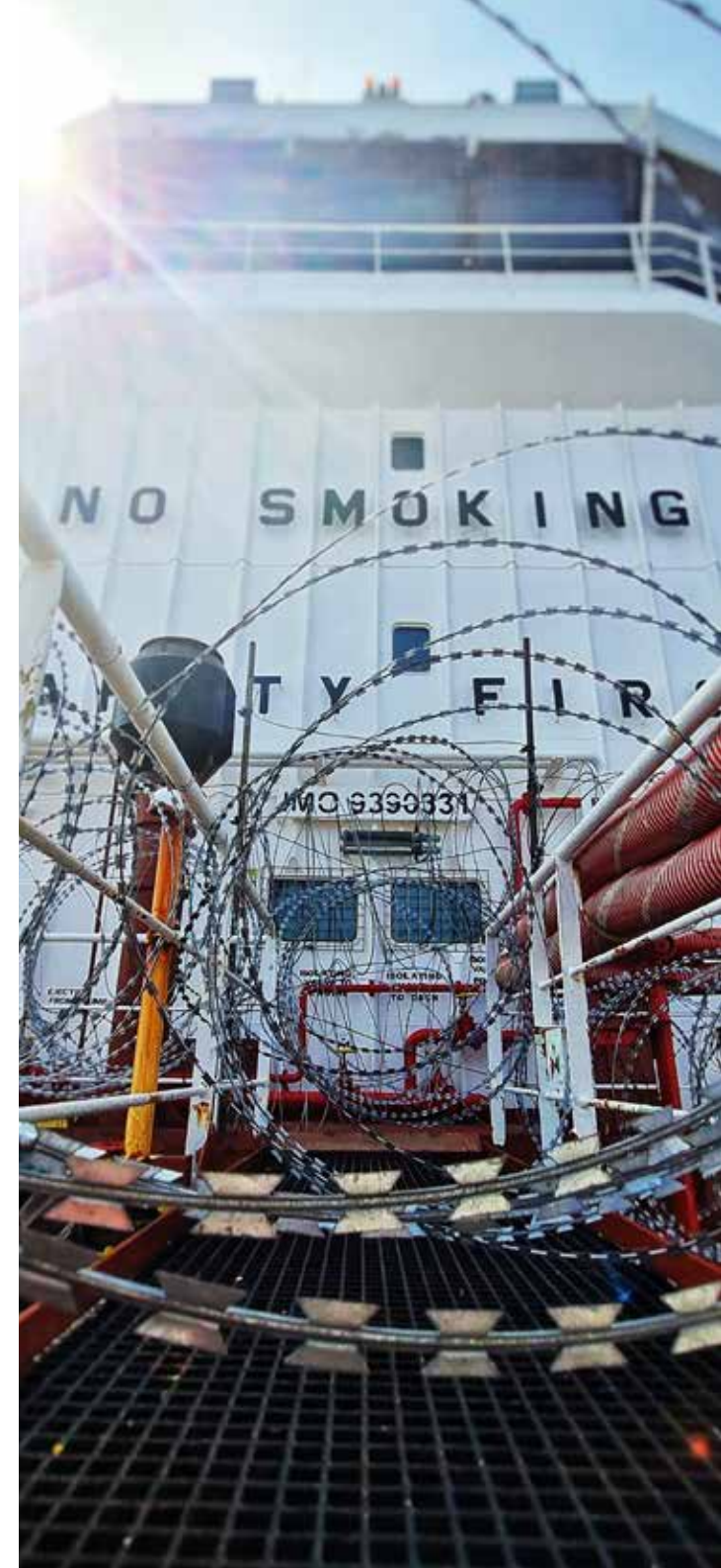
The Group is not exposed to any material risks relating to individual large customers or business partners. The Group's policy for assuming credit risks implies that all customers and business partners are subject to a current credit rating.

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 2021/22.

### INTEREST RATE RISK

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





# EXPERTISE

## EXPERIENCED MARKET NICHE SPECIALISTS

Expertise comes when experience and knowledge are combined. We are passionately working from a base of 27 years' safe shipping. And we are proud to offer best-in-class solutions delivered by best-in-class people.

## 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 40 owned and time-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 based 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 is working intensely on living up to ESG standards and have initiated a project focusing on where and how to be best-in-class. As such, ESG has the highest priority by both Owners, Board of Directors, management, and employees.



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. In this respect, we have upgraded our Safety Management System, and the system is now more user friendly, with fewer and easy to understand procedures, supporting safe operation on board..

## **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. For more details, please refer to our ESG reporting.

Uni-Tankers continuously strives to reduce the environmental impact related to the Group's operations. In the coming financial year, Uni-Tankers will continue its efforts to improve the efficiency of equipment and facilities. It is the ambition of the Group to optimize shipping operations by focusing on voyage planning.

The Group aims to ensure safe transportation of environmentally hazardous goods via internal audits by ship superintendents and external audits carried out by customers, flag states, port authorities, and business partners. Additionally, Uni-Tankers will continue to ensure 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 is continuously conducting tests via a control system on the main engines and propulsion systems. Additionally, the Group continues to use an external supplier of weather routing to improve efficiency of transportation routes.

In 2021/22, Uni-Tankers tested biofuel on 1 vessel with consideration of implementing on more vessels.

Uni-Tankers continues to install new ballast water treatment systems on all vessels and has thus far completed installation on 77% of the fleet compared to last year's 47%. Moreover, throughout the year Uni-Tankers has continued to apply high-quality anti-fouling paint thereby minimizing emissions.

Furthermore, Uni-Tankers continues to install main engine fuel saving systems (producing fuel savings between 7-15%) on its vessels and has thus far completed installation on 41% of the fleet compared to last year's 6%.

## **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 among employees. For more details, please refer to our ESG reporting.

Uni-Tankers aims to provide safe, reliable, and efficient shipping solutions and certifies all vessels in accordance with ILO's Maritime Labor Convention (MLC) 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.

In the coming financial year, Uni-Tankers will continue to work on strengthening socialization between office and vessels via training, seminars with the participation of both onshore and offshore staff, and not least a new internal communication platform, MyCrew, which will empower office/crews/vessel communication in an easily accessible way regardless of location and time zone - an initiative that will also improve crew engagement.

## **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 increased its efforts to develop task-specific risk assessments and Toolbox Meetings prior to any new job to ensure the safety of its employees.

In 2021/22, Uni-Tankers passed an International Safety Management (ISM) office audit conducted by Bureau Veritas with zero deficiencies and no remarks. Uni-Tankers has completed the change to ABS and BV class for all vessels without cause for concern.

Additionally, Uni-Tankers is continuously reviewing and revising its employee handbook as well as recruitment and on-boarding procedures, thereby improving conditions for employee retention and attraction.

To further develop team spirit and strengthen the connection between onshore/offshore personnel, a successful Senior Officers Conference was held in November 2021. These conferences are recurring events and are held twice per calendar year.

### **HUMAN RIGHTS**

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 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 it 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. For more details, please refer to our ESG reporting.

To ensure a reliable connection between the Group and crews, the fleet has a Designated Person Ashore (DPA), which provides the opportunity for crew members to bring their concerns regarding working conditions to the Management. Furthermore, human rights are upheld by conformity to the requirements of the Maritime Labor Convention (MLC).

In the coming financial year, Uni-Tankers will continue these efforts, and in addition the Group will intensify its work with GDPR through a dedicated project which will also ensure alignment with USTC.

### **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 2021/22, Uni-Tankers improved its workforce diversity by adding one more nationality 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 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. Additionally, it is underlined via 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.

In the coming financial year, Uni-Tankers will launch a new Safety Management System, which will ensure that above information is easily accessible through a more simplified layout and reduced text highlighting hazards and risks.

### **RESULTS CONCERNING ANTI-CORRUPTION**

In 2021/22, Uni-Tankers continued to keep its employees informed of company policies regarding anti-corruption both via Uni-Tankers' Marine Department and Senior Officers Conferences aimed at employees in high-risk areas.

Throughout the financial year, 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 committee are female. 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 2021/22, 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.

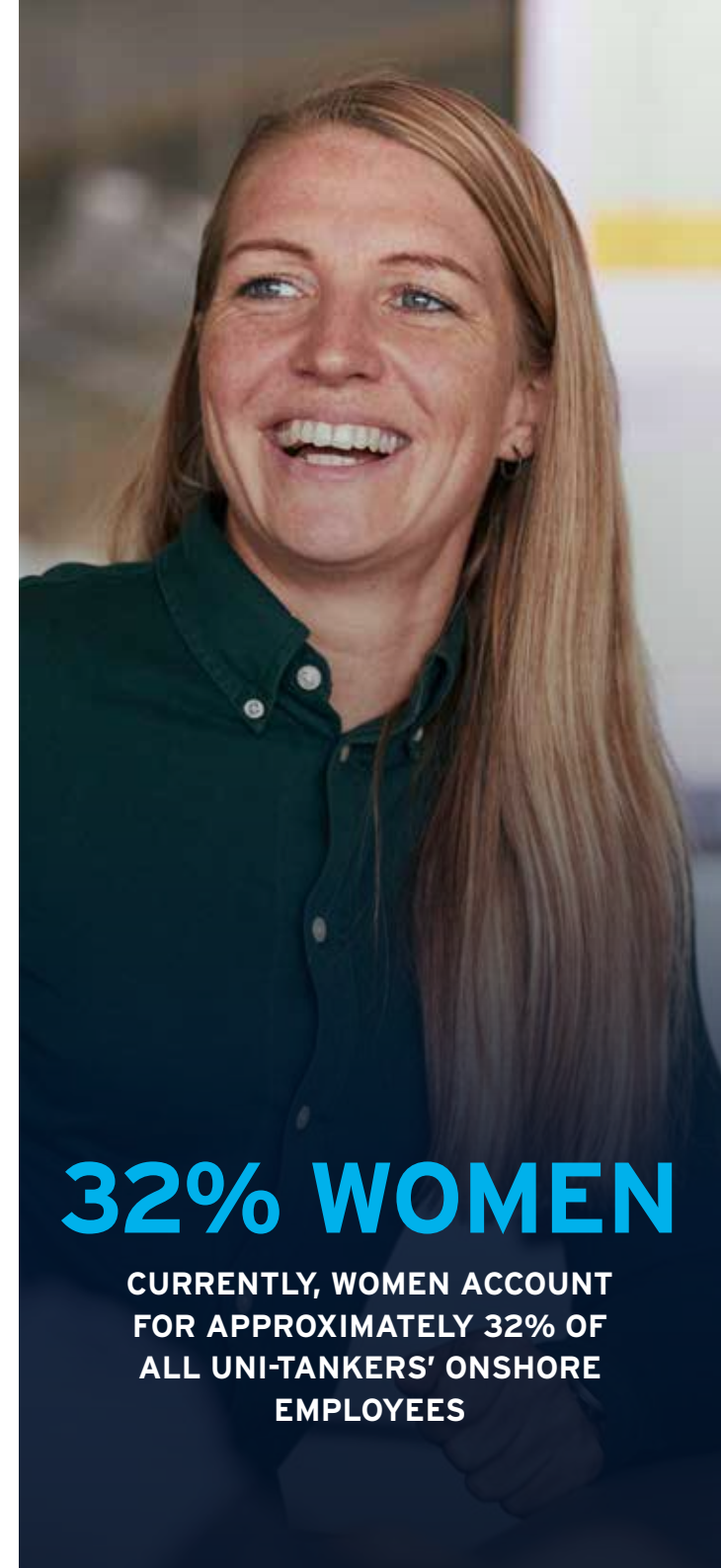
Efforts to increase the share of the underrepresented gender are disclosed in the financial statements of the parent company, A/S United Shipping & Trading Company, for 2021/22.

Currently, women account for approximately 32% of all Uni-Tankers' onshore employees.

### **POLICY ON DATA ETHICS IN ACCORDANCE WITH SECTION 99D OF THE DANISH FINANCIAL STATEMENTS ACT**

Uni-Tankers A/S complies with Danish legislation on GDPR regarding employee and personal data. Given the Group's business model and activities, data is acquired from external sources in support of our market strategy and trading activities. All data is considered business critical and will as such never be shared with or in any way made available to third parties.

The management of Uni-Tankers A/S sees no immediate need for adopting a policy on data ethics, as the Group does not make use of advanced technology. Management will continue to monitor the topic closely for the purpose of potentially adopting such a policy in the future.



# **32% WOMEN**

**CURRENTLY, WOMEN ACCOUNT FOR APPROXIMATELY 32% OF ALL UNI-TANKERS' ONSHORE EMPLOYEES**



A large white number '3' is positioned on the left side of the image. The background is a deep blue sea with white foam from a boat's wake. Several seagulls are flying over the water. A horizontal white line extends from the right side of the number '3' towards the right edge of the image.

3

ESG

ENVIRONMENTAL  
SOCIAL  
GOVERNANCE

# ESG

## INTRODUCTION

We are pleased to introduce the Group's first full-scale ESG Report. Included here and as a separate document, the report has been prepared in collaboration with external consultants through an inclusive process involving relevant Uni-Tankers stakeholders from onshore and off-shore staff to Owners and Management.

Uni-Tankers has cooperated closely with the USTC Group through knowledge sharing and cross-company synergies and will continue to draw on the many strengths that lie in being part of the USTC Group.

The foundation for this ESG Report was established in 2020 with brainstorming sessions and focused working groups based on the 17 UN Sustainable Development Goals. Uni-Tankers' ESG reporting has since developed steadily the past two years and is now an integral part of our strategic efforts going forward. The continued efforts are anchored in our organization via working groups and full support from top management.

The report outlines the Group's position, policies, and recent progress on our work with the environment, social aspects of our business and corporate governance. The major investments behind the activities detailed in this report reflect the Group's commitment to the full range of ESG responsibilities.

Data has been extracted from our extensive business intelligence system, where progress will be continuously

monitored and tracked via dashboards throughout the year, which will help improve our overall sustainability position.

Yet this year's ESG Report is only a beginning, and Uni-Tankers looks forward to continuing and expanding this work over the coming years. This year's ESG Report is thus to be viewed as a baseline report that will form the basis for the Group's continued work with the targets to be included in next year's report.

Following the IMO MEPC 78 meeting in June 2022 - where final carbon-emissions baseline and measurement methodologies will be adopted - we, as Uni-Tankers' top management, will set new emission reduction targets for the Group.



Per Ekmann  
CEO



Thomas Thomsen  
CFO



## SUSTAINABLE DEVELOPMENT GOALS



**22% WOMEN**  
IN BOARD POSITIONS

**89% RETENTION RATE**  
SHORE-BASED EMPLOYEES

**90% RETENTION RATE**  
SEAFARERS

# ENVIRONMENT

## EMISSIONS REDUCTION

For the Uni-Tankers Group, consumption of bunker fuel is the primary source of emissions and, consequently, negative impacts on climate change and air quality. Emissions from our vessels include CO<sub>2</sub>, SOx and NOx. Our current emissions reduction work involves aligning the Group with applicable IMO regulations, including fuel savings and alternative fuels.

Main engine fuel-saving systems have been installed on 7 owned vessels, achieving fuel savings of 7-15%. Electricity-saving technologies, such as variable frequency drives, as well as onboard management systems and antifouling applications have enabled the Group to achieve further fuel saving and emission reductions.

A total of 12 Uni-Tankers vessels are now fully compliant with the IMO Energy Efficiency Existing Ship Index (EEXI), and the Group's remaining 5 vessels will achieve compliance well ahead of the 1 January 2023 deadline. The annual efficiency ratio (AER) for the Group's owned vessels in financial year 2021/22 shows a 33% reduction in CO<sub>2</sub> emissions compared to a 2008 baseline, calculated using IMO methodologies.

Uni-Tankers has now completed its first carbon accounts. Following the IMO MEPC 78 meeting in June 2022 - where final carbon-emissions baseline and measurement methodologies will be adopted - Uni-Tankers Management will set new emission reduction targets for the Group.

Beyond compliance with IMO, EEXI, port, and flag state requirements, Uni-Tankers is aiming for full-fleet compliance with CII regulations, regardless of vessel size. In addition, the Group will work with suppliers to phase out the use of harmful refrigerant gasses and introduce new lower-emission fuels, including biofuels.

Biofuel blends have already been tested on M/T Amak Swan, and the results were promising, with 30% blends leading to estimated CO<sub>2</sub> emission reductions of about 25%.



## SPILL PREVENTION AND BIODIVERSITY

Spillage of bunker fuel, oil or chemicals poses a major threat to the environment. Offshore spillage can threaten marine ecosystems and biodiversity.

With a goal of zero spills across its fleet, Uni-Tankers mitigates the risk of spills by meeting all applicable regulatory requirements, using audits conducted by Uni-Tankers staff, ports, class and flag states, customers, and other stakeholders to ensure compliance.

The Group conducts monthly "spill drills" and other training for all crews, along with annual spill exercises with outside consultants. Spill equipment is installed on board all

Uni-Tankers vessels, and all owned and time-charter tonnage is CDI and/or SIRE vetted.

Beyond spills, untreated ballast water, toxic coatings, some oils and chemicals, and physical impacts of anchor and propeller functional can negatively affect marine biology. Uni-Tankers' vessels are equipped with UV light ballast treatments systems and compliant antifouling systems and use biodegradable (EAL) and whitelisted chemicals. All vessels comply with safe-anchoring requirements, and hull and propeller cleaning are conducted using non-abrasive methods that minimize negative impacts on marine ecosystems.

## WASTE MANAGEMENT

Most waste generated by Uni-Tankers' activities derive from tank residues and engine sludge. The Group complies with all relevant waste-management regulations, most notably MARPOL.

Uni-Tankers has implemented a fleet-wide inventory of hazardous materials (IHM) system to track hazardous materials automatically from purchase to disposal. The system enables accurate reporting to local authorities and ensures the appropriate disposal of hazardous waste. Where possible, the Group recycles parts and materials from vessels via agreements with ports.

Waste separation is practiced on board vessels, and the Group disposes of all IT equipment in an environmentally sound manner.



## WATER MANAGEMENT

Most water consumed on board Uni-Tankers vessels is fresh water used for tank cleaning (technical water). This water is of lower quality than drinking water and is both produced on board our vessels and sourced from shore.

Other water consumed on board is fresh drinking water. While the Group could technically produce fresh water from sea water on board its vessels, the required desalination process is only practical on longer voyages. For this reason, most drinking water used on our vessels is sourced from shore. Plastic water bottles are only sourced when the Group is unable to source bulk fresh water or to desalinate seawater.

Spectrometers installed on our owned and time-chartered vessels facilitate more accurate cleaning of tanks and less use of resources. The Group's water management policies apply only to vessels at the moment.

## VALUE CHAIN IMPACTS

The most significant environmental impact from Uni-Tankers' value chain derives from purchased goods and services, including spare parts and consumables, and the supply of these to our vessels.

To reduce the impact of these purchased goods, the Group has implemented a proactive maintenance approach on board - including training and ship-to-shore communication aimed at minimizing breakdowns - and refurbishes parts wherever possible.

The Group has centralized the purchase of all goods and services and aims to implement ESG metrics for purchased goods in the future.

To reduce the impact of deliveries to vessels, Uni-Tankers works to align scheduled port calls with supply deliveries from location-specific warehouses 3-5 times per year. The Group has recently seen a significant increase in urgent delivery and air freight needs, due primarily to the COVID-19 pandemic.

Going forward, Uni-Tankers aims to optimize its 90-day planning wheel to minimize urgent deliveries and avoid air freight. The Group is open to including ESG criteria in purchasing decisions, and Management is exploring options for condition-based maintenance (CBM) as well.

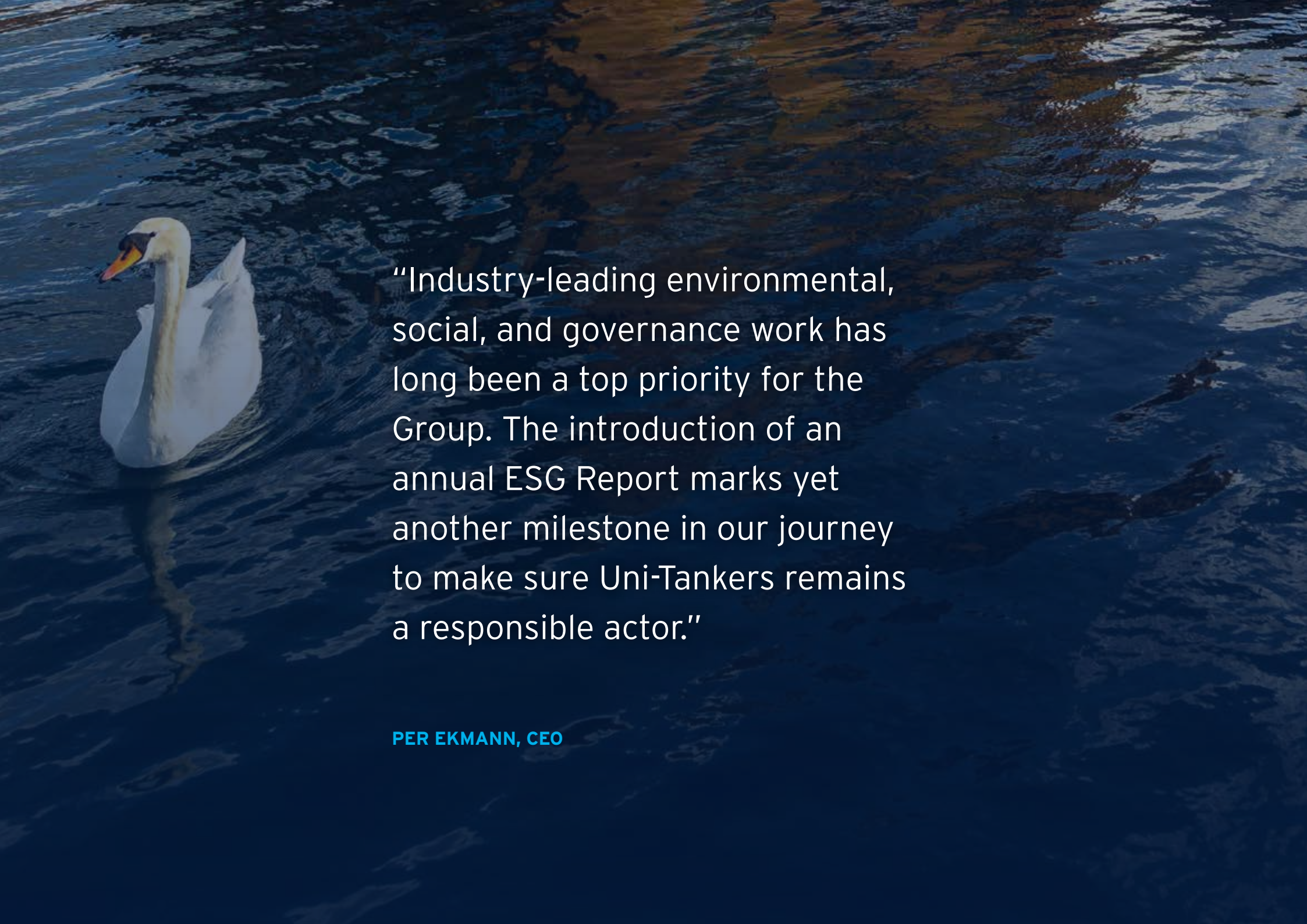
## VESSEL RECYCLING AND SCRAPPING

Uni-Tankers' policy on recycling and scrapping vessels is to follow the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (IMO Convention).

## REFERENCE

For details on the definitions and accounting principles that inform this report, please see page 42, Definitions and Principles.



A white swan is swimming in dark blue water, leaving a wake behind it. The water is dark and has some ripples. The swan is on the left side of the frame, facing left. The text is overlaid on the right side of the image.

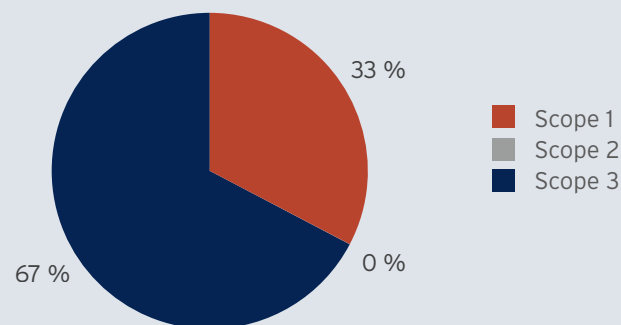
“Industry-leading environmental, social, and governance work has long been a top priority for the Group. The introduction of an annual ESG Report marks yet another milestone in our journey to make sure Uni-Tankers remains a responsible actor.”

**PER EKMANN, CEO**

# ENVIRONMENT

## GREENHOUSE GAS EMISSIONS

Scope	Unit	2021/22	2020/21
Direct emissions (Scope 1)	Metric tons CO <sub>2</sub> e <sup>1)</sup>	110,924	110,816 <sup>2)</sup>
Indirect emissions (Scope 2) - Market based	Metric tons CO <sub>2</sub> e <sup>1)</sup>	47	52 <sup>3)</sup>
Indirect emissions (Scope 2) - Location based	Metric tons CO <sub>2</sub> e <sup>1)</sup>	17	19 <sup>3)</sup>
Other indirect emissions (Scope 3)	Metric tons CO <sub>2</sub> e <sup>1)</sup>	228,512	239,462 <sup>4)</sup>
<b>Total market based</b>	Metric tons CO <sub>2</sub> e <sup>1)</sup>	<b>339,483</b>	<b>350,330</b>
<b>Total location based</b>	Metric tons CO <sub>2</sub> e <sup>1)</sup>	<b>339,452</b>	<b>350,297</b>



### Total emissions fell 3% in 2021/22 compared to the previous year.

- Average number of vessels 2021/22 = 37.82 (38.87 in 2020/21).
- Emissions from owned vessels represent 99% of Scope 1 emissions.
- Emissions from time-chartered vessels represent 83% of Scope 3 emissions.

### Footnotes

- 1) CO<sub>2</sub>e includes seven greenhouse gases that are covered by the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).
- 2) Accounting principles for Scope 1 emissions in Definitions and Principles (page 42).
- 3) Accounting principles for Scope 2 emissions in Definitions and Principles (page 42).
- 4) Accounting principles for Scope 3 emissions in Definitions and Principles (page 42).



## ENVIRONMENT

### ENVIRONMENTAL INDICATORS

Air quality	Unit	2021/22	2020/21
SO <sub>x</sub> emissions	Metric tons	15,776	10,832 <sup>1) 3)</sup>
<b>Energy consumption vessels</b>			
Very low sulfur fuel oil (VLSFO) consumption	Metric tons	18,939	5,668 <sup>3)</sup>
Low sulfur gasoil consumption (LSMGO) consumption	Metric tons	63,059	79,978 <sup>3)</sup>
Total energy consumption of vessels	TJ	3,507	3,677 <sup>2)</sup>
<b>Energy consumption office</b>			
Electric consumption	kWh	125,562	135,075
Gas consumption	kWh	85,434	93,455 <sup>4)</sup>
Central heating	kWh	346	386

#### Footnotes

- 1) SO<sub>x</sub> emissions are calculated basis maximum sulfur content in used bunkers.
- 2) Energy consumption is calculated basis mean calorific value of bunkers used.
- 3) New sulfur regulation was enforced from 1 January 2020 requiring use of fuels with max sulfur content of 0.5%. For a greater part of the year, Uni-Tankers chose to use LSMGO with max 0.1% sulfur before transitioning to VLSFO with max 0.5% sulfur, leading to an increase in SO<sub>x</sub> emissions in 2021/22.
- 4) Gas consumption is reported in Cubic Metres and converted to kWh by using calorific value 40, volume factor of 1.02264 and kWh conversion factor 3.6.

## ENVIRONMENT

### ENVIRONMENTAL INDICATORS

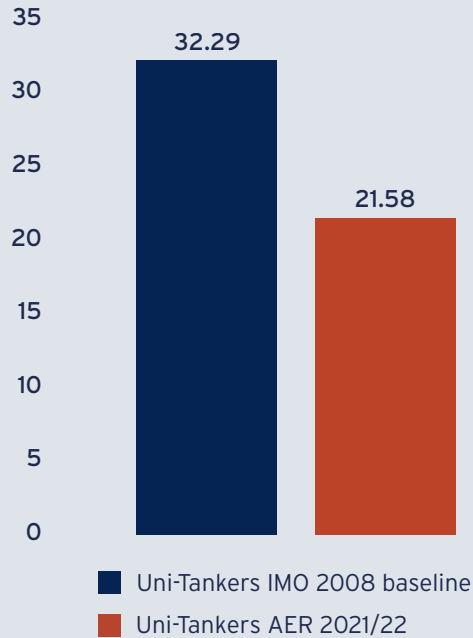
<b>Flights</b>	<b>Unit</b>	<b>2021/22</b>	<b>2020/21</b>
Number of flights	Count	5,030	3,086 <sup>3)</sup>
Distance travelled	Km	15,586,399	10,367,215
Emissions from flights	Metric tons CO <sub>2</sub> e <sup>1)</sup>	2,622	1,689 <sup>2)</sup>
<b>Freight</b>			
Freight work - Air	Metric tons x Km	113,010	67,305 <sup>4)</sup>
Freight work - Road	Metric tons x Km	269,102	208,865 <sup>4)</sup>
Freight work - Sea	Metric tons x Km	87,072	163,552 <sup>4)</sup>
Emissions from freight	Metric tons CO <sub>2</sub> e <sup>1)</sup>	165	107 <sup>2)</sup>

#### Footnotes

- 1) CO<sub>2</sub>e includes seven greenhouse gases that are covered by the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).
- 2) Accounting principles for Scope 3 emissions in Definitions and Principles (page 42).
- 3) Due to COVID-19 travel activities were reduced in 2020/21.
- 4) COVID-19 instability in supply chains has impacted freight coordination.

# ENVIRONMENT

## CARBON INTENSITY INDICATOR & IMO BASELINE



In 2018, the International Maritime Organisation (IMO) launched its initial strategy for reducing greenhouse gas (GHG) emissions from ships. One ambition is for all ships to reduce their carbon intensity by 40% by 2030, compared to a vessel-specific 2008 baseline.

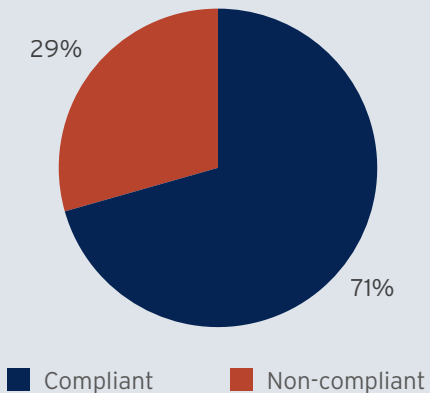
The AER for Uni-Tankers' owned fleet in FY 2021/22 shows a 33% reduction compared to a 2008 baseline calculated using methodology developed by the IMO and described in the Fourth IMO GHG Study 2020.

**CO<sub>2</sub> EMISSIONS**

**33%**

AER REDUCTION  
COMPARED TO IMO  
BASELINE (2008)

## EEXI



As a tool for helping shipping companies achieve the reductions specified in its GHG strategy, the IMO will put the Energy Efficiency eXisting ship Index (EEXI) into effect for all vessels over 400 GT from January 2023.

The purpose of this index is to validate the design and technical efficiency of existing vessels, and to enforce measures for increasing efficiency or reducing emissions on non-compliant vessels.

A total of 12 of the vessels Uni-Tankers owns are already in compliance, and the remaining 5 will be made compliant by placing power limits on main engines.

# ENVIRONMENT

## SPILL PREVENTION AND BIODIVERSITY

Spills	Unit	2021/22	2020/21
Number of uncontained spills - entire fleet	Number	0	0
Water treatment			
BWTS installations - own fleet	Percentage	77	47
BWTS installations - chartered fleet	Percentage	42	n/a <sup>1)</sup>
Spectrometers availability - entire fleet	Percentage	78	n/a <sup>2)</sup>
Whitelisted chemicals - entire fleet	Percentage	100	100 <sup>3)</sup>
Environmentally acceptable lubricants - own fleet	Percentage	94	n/a <sup>4)</sup>
<b>Vetting</b>			
SIRE-vetted vessels - entire fleet	Percentage	100	100 <sup>4)</sup>
CDI-vetted vessels - entire fleet	Percentage	76	74 <sup>4)</sup>

### Footnotes

- 1) Status as per 30 April 2022. Status per 30 April 2021 is not available due to continuous changes in chartered fleet.
- 2) Status as per 30 April 2022. Spectrometers are used to reduce water and chemical use when doing tank cleaning.
- 3) All chemicals used on board vessels are whitelisted and considered environmentally friendly by IMO MARPOL.
- 4) Status as per end of the financial year.



# FOOTPRI<sub>2</sub>NT

## REDUCING OUR FOOTPRINT

Since 2014, we have worked diligently on reducing our overall footprint. A total of 63 projects have been evaluated to support carbon reduction and reduce footprint, and 34 specific projects have been selected and initiated.

Fuel saving systems have been installed on 41% of the fleet providing documented fuel savings of 7-15%.

Biofuel testing has been conducted on own vessel during May 2021, where a new B30 biofuel blend consisting of a second-generation bio feedstock has resulted in a 25% reduction of the vessel's well-to-take CO<sub>2</sub> discharge.

The installation of ECO-Pac systems on board have reduced CO<sub>2</sub> emissions from pumps and ventilation by 50%.

# SOCIAL

## HEALTH, SAFETY, AND SECURITY (HSS)

Ensuring the health, safety and security of Uni-Tankers' employees is the Group's top priority. It is also difficult work - especially on board our vessels at sea and when loading and discharging cargo and performing maintenance.

HSS on board vessels is a highly regulated area of shipping, and many industry and customer standards for ensuring HSS are considered basic requirements. Near-miss incidents are reported monthly from all owned vessels and enable the Group to analyze and remedy conditions that could lead to future accidents.

Uni-Tankers' employees understand the critical importance of onboard HSS and are familiar with and trained in all applicable standards. The fatal accident that resulted from a fire on M/T Samus Swan in 2021 further heightened the Group's attention to HSS, and Management immediately followed policy and engaged an external expert to conduct a thorough inspection and root cause investigation of the vessel. We also reviewed all our safety procedures and employee training programs and materials.

In addition to these measures, the Group deployed a far more modern and user-friendly safety management system for Uni-Tankers' crews and onshore staff. The system includes monthly onboard training exercises and an annual full-scale accident simulation exercise conducted with external parties.

Our crews were strongly affected by the COVID-19 pandemic and were under pressure due to extended stays on board. To mitigate these health risks, the Group provides access to fitness facilities, nutritious food, entertainment, recreational areas, social activities, and higher-speed internet access.

To meet occasional staff security needs, the Group employs a company security officer who oversees various security needs, including the occasional need for approved private security support.

The greatest risk to HSS among onshore staff has been pandemic-related isolation and other mental health issues, which the Group has addressed via online and - when safe - offline social events, ranging from online bingo to outdoor fitness bootcamps. A flexible, individualized approach to office versus remote working has also helped mitigate the risk of COVID-19 related health issues.

## RECRUITMENT AND EMPLOYEE RETENTION

The Uni-Tankers' Group is highly dependent on recruiting and retaining skilled labor, especially crew members. For hiring, we both hire crew members directly and engage crewing agencies where needed.

Staff retention is a business-critical matter for Uni-Tankers, as customers demand that senior crew members have high seniority with us. The Group has learned that improving crew retention - and maintaining crew on the same vessels - leads to numerous business improvements, including better maintenance on board and more trusting relationships between crews and onshore staff.

The Group enjoys a high retention rate (90%) for offshore staff, achieved via permanent contracts for crew and high levels of welfare on board. The retention rate for onshore staff is 89%.

The Group's strategy going forward involves continuing to recruit and maintain skilled labor. Internal promotion will remain a priority as we implement our crewing strategy and recruitment practices, along with annual satisfaction and workplace assessment surveys for all onshore staff.

## EMPLOYEE RELATIONS

Uni-Tankers works hard to foster good relations between on- and offshore staff, and to fully integrate our crews into the company. We do this primarily via in-person meetings and modern online communication channels.

During the pandemic, the Group found that substituting in-person training, meetings, and vessel visits with conference calls resulted in less personal connectedness and possibly some deterioration in relationships. In-person visits - where office staff visit vessels and officers visit offices - has been found to strengthen these relationships.

A supercargo employee visits vessels regularly and has built up strong relations with crews. Uni-Tankers' management also makes periodic visits, although these have been sporadic during the pandemic. Recently, a new program where officers visit and take part in training at the Uni-Tankers head office has also been established and is expected to foster offshore-onshore ties.



While informal, in-person contact has traditionally been our crews' preferred means of contact with office staff, the new MyCrew communication platform currently being deployed on Uni-Tankers' vessels will be a far more modern and appealing formal channel for keeping all Uni-Tankers employees connected at sea and on land.

Uni-Tankers hosts various employee events to promote knowledge-sharing and relationship-building, including crew conferences, management updates, "CEO's Corner" events, informational meetings, and "Tanker Get2gethers".



## EQUALITY, DIVERSITY, AND INCLUSION

On board Uni-Tankers' vessels, diversity and inclusion are considered business critical. Onshore, the Group also promotes an open, diverse, and inclusive workplace. The Group operates on the principle of "best person for the job" and does not discriminate against candidates based on gender, nationality, age, physical abilities, culture, race, political or religious beliefs, or sexual orientation.

In terms of gender representation, women currently account for approximately 32% of Uni-Tankers' onshore employees, while 1.4% of offshore workers are women. In 2021/22, 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. In terms of pay, Uni-Tankers believes that full gender parity has been achieved.

Today, 22% of the members of the Board of Directors selected by the shareholder's committee are women. Uni-Tankers aims to have 33.3% female members of the Board of Directors by 2024.

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.

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 2021/22.

## LEARNING OPPORTUNITIES

Uni-Tankers provides health and safety, leadership, simulator, and other training for its staff. These educational programmes are critical for the Group's work with ESG and employee development and to ensure that crews maximize the benefits of new vessel technologies.

Uni-Tankers partners with a qualified school in the Philippines to train cadets and officers. The school maintains good relations with our vessels, and cadets are occasionally stationed on board for practical training. The Group also provides training to staff chosen for promotion to help them develop required skills, including leadership skills, subject matter expertise, and technical qualifications.

In recent years, the pandemic has limited the Group's ability to offer in-person training, and online versions of these courses may not have had the same impact that in-person sessions do, especially for crews. This has been increased as conditions have allowed.

Where Uni-Tankers' crew members have received training via an onboard digital training system, onshore staff normally take part in "on the job" training and external courses in areas such as specific technical and management skills.

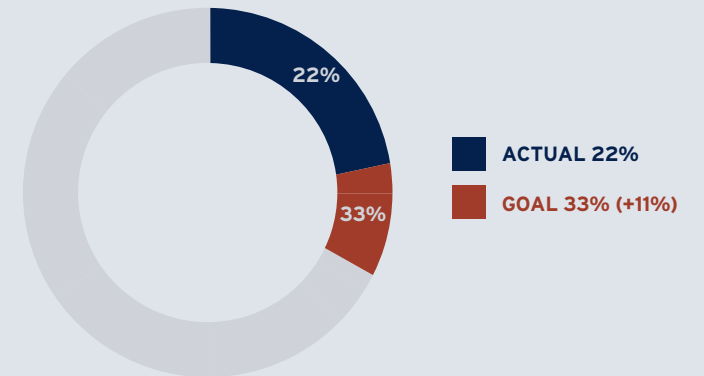
Future training efforts will focus on mastering new technologies on board and ensuring the Group's ability to retain and continuously improve skills and knowhow.

## REFERENCE

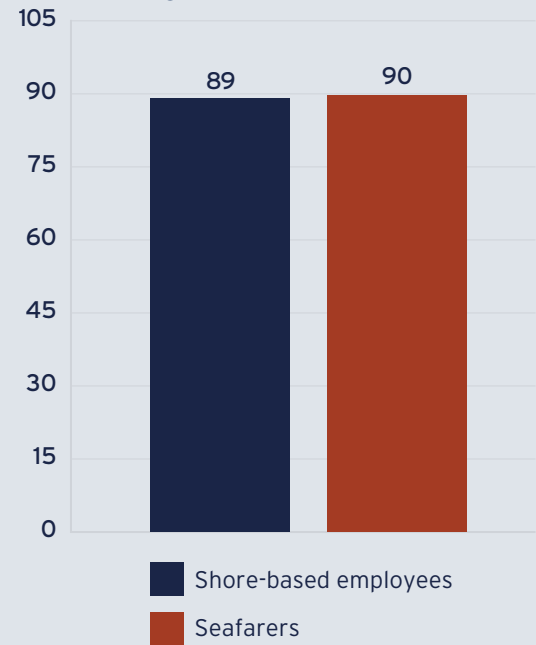
For details on the definitions and accounting principles that inform this report, please see page 42, Definitions and Principles.



## WOMEN IN BOARD POSITIONS



## RETENTION RATE



## SOCIAL

### HEALTH AND SAFETY

Incidents	Unit	2021/22	2020/21
Fatalities	Headcount	1	0
Lost time incident frequency (LTIF)	As per OCIMF	0.88	1.38 <sup>1)</sup>
Near misses reported	Number	496	503
<b>Ship/shore relations</b>			
Ship visits - management	Number	20	20 <sup>2)</sup>
Ship visits - other	Number	73	63 <sup>3)</sup>

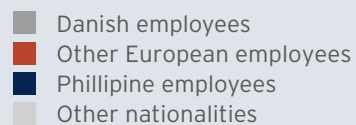
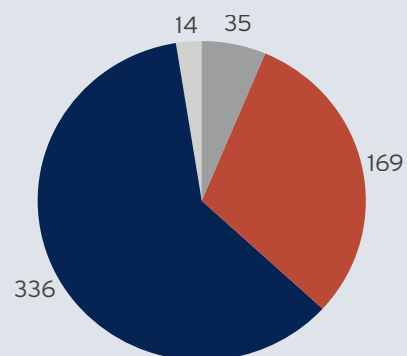
#### Footnotes

- 1) Single fatalities + permanent disabilities + lost workday cases per million exposure hours.
- 2) Management defined as C-level and General Manager level.
- 3) Other defined as HSQE, Nautical, Technical and Supercargo departments.

## SOCIAL

### SEAFARERS

Numbers	Unit	2021/22	2020/21
Number of employees	Headcount	554	555
Retention rate senior officers	Percentage	82	94 <sup>1)</sup>
Retention rate other officers	Percentage	91	90 <sup>2)</sup>
Retention rate ratings	Percentage	95	95 <sup>3)</sup>
<b>Diversity</b>			
Female employees	Percentage	1.4	1
Females in leadership	Percentage	1.3	1.2
Number of nationalities	Number	15	16



Seafarers divided by geographical origin in 2021/22

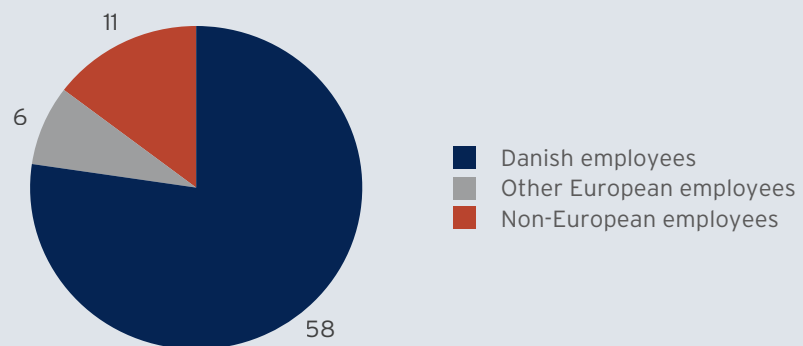
### Footnotes

- 1) Senior officers defined as captain, chief officer, chief engineer and 2nd engineer.
- 2) Other officers defined as 3rd engineer, 2nd officer and 3rd officer.
- 3) Ratings defined as remaining ship staff not defined as senior officers or other officers regardless of function on board.

## SOCIAL

### SHORE-BASED EMPLOYEES

Numbers	Unit	2021/22	2020/21
Number of employees	Headcount	75	75
Retention rate	Percentage	89	96
<b>Diversity</b>			
Female employees	Percentage	32	32
Females in leadership	Percentage	11	11
Females in executive team	Percentage	0	0
Females in Board of Directors	Percentage	22	22
Number of nationalities	Headcount	6	5



Employees divided by geographical origin in 2021/22

# GOVERNANCE

## COMPLIANCE

All compliance-related work undertaken at Uni-Tankers is carried out by the Group's chartering team. The Group onboards a couple of new customers each month, and the Uni-Tankers Chartering Manual outlines the KYC (Know Your Customer) and sanctions-related expectations, procedures and internal controls that are required for engaging with new customers and commissioning new voyages.

All Uni-Tankers' trades require sanctions screening, irrespective of the parties involved, origin, destination, or type of cargo.

Uni-Tankers 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 combats this by following the Code of Conduct of the parent company A/S United Shipping & Trading Company and complying with supplier and customer codes of conduct. Uni-Tankers is also in the process of joining the Maritime Anti-Corruption Network (MACN).

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. The Group's Safety Management System underscores the importance of anti-corruption, stating that Uni-Tankers' employees are prohibited from directly or indirectly offering, giving, soliciting, or receiving any form of bribe, kickback, or other corrupt payment.

In 2021/22, Uni-Tankers continued to keep its employees informed of company policies regarding anti-corruption both via Uni-Tankers' Maritime Standards Department and crew seminars aimed at employees in high-risk areas. The Group maintained its KYC screening process, while improving its internal procedures relating to sanctions checks - including the implementation of BIMCO's anti-sanctions clause.

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

## DATA PRIVACY AND SECURITY

The data privacy and security measures implemented at Uni-Tankers are very robust, and the Group works closely with the other companies within USTC to further improve cybersecurity.

Key applications are hosted primarily on servers kept on the premises and operated by Unit IT, with some services hosted in the Cloud. Offshore, the Group is only responsible for data privacy and security on owned tonnage, and all offshore applications are run from a server located on the vessel itself, with backups taken daily.

Uni-Tankers has a Business Continuity Plan (BCP) in place for IT. All applications have been given vulnerability and criticality ratings, and this BCP has led the Group to upgrade to a next-generation security system based on the zero-trust security model. Procedures for data breaches have been implemented, and an internal "IT Guard" is on call 24/7 to ensure rapid response to any breach.

Uni-Tankers has installed anti-virus software on onshore and offshore computers. Phishing and cybersecurity training is provided for all employees annually.

## CORPORATE GOVERNANCE

Corporate governance is well established at Uni-Tankers, where the responsibilities of the Board of Directors, executive management and the Group's owners are clearly delineated.

For all board meetings and meetings between executive management and the owners, strict meeting procedures are followed. There are clear reporting lines between the Group's different business areas and executive management - including regular KPI reporting and monitoring.

Today, the Group's ESG work is incorporated into existing corporate governance reporting lines. Going forward, Management aims to continue developing the Group's ESG function, project structures and governance.

## REPORTING AND HANDLING OF MISCONDUCT

Uni-Tankers uses their parent company A/S United Shipping & Trading Company's whistleblower system for anonymous reporting of misconduct. This system is available to both onshore and offshore employees.

All crew members have a dedicated person ashore (DPA) they can turn to regarding general concerns, misconduct onboard, or grievances.

Uni-Tankers also employs a supercargo who visits vessels on a regular basis and serves as an informal channel for reporting misconduct. Given the difficulty of obtaining complete reports on board vessels, this is an important asset for the Group.

The Group has neither during the financial year 2021/22 nor in financial year 2020/21 received any report of misconduct.

Employees can report violations against human or labor rights via the supercargo, onshore Uni-Tankers staff, the parent company A/S United Shipping & Trading Company's Whistle Blower system or the Maritime Labour Convention. However, Uni-Tankers has seen very few cases of such violations or complaints.

In general, the Group encourages staff to report grievances early to reduce the risk of serious personal harm or property damage.

## TRANSPARENCY AND REPORTING

During the recent years, Uni-Tankers has invested many resources in strengthening internal reporting structures and data collection methods to areas as diverse as health, safety, procurement, and waste management. The Group aims to collect all critical business data in its business intelligence system to further support a data-driven approach.

Traditionally, communication regarding the Group's ESG strategy, initiatives, and progress has been limited both within and outside the company. The recent rebranding of the Uni-Tankers Group aimed in part to create greater

transparency for stakeholders and provide a new shared platform for improving communication.

The Group sees its annual report, rebranding process, new website, social media channels, and intranet as appropriate vehicles for communicating more effectively about ESG matters.

## RESPONSIBLE TAX AND FLAGGING POLICY

At Uni-Tankers, all tax is consolidated at the level of the parent company A/S United Shipping & Trading Company, and the parent company A/S United Shipping & Trading Company is responsible for tax reporting and payments.

The Group is subject to the Tonnage Tax system across its entire fleet. Outside Denmark, Uni-Tankers is subject to ordinary company tax.

Uni-Tankers commits to paying fair tax in all countries where it operates and to comply with the letter and spirit of the law.

94% of all Uni-Tankers' owned vessels are flying EU flag.



## GOVERNANCE

### HUMAN RIGHTS & FLAGGING POLICY

---

<b>Misconduct</b>	<b>Unit</b>	<b>2021/22</b>	<b>2020/21</b>
Misconduct reports - shore	Number	0	0
Misconduct reports - ship	Number	0	0

### GDPR


---

Data request	Number	0	0
Data breaches	Number	0	0

---

<b>Flagging policy</b>	<b>Unit</b>	<b>2021/22</b>	<b>2020/21</b>
Danish-flagged vessels	Number	11	11
European-flagged vessels	Number	5	5
Non-European-flagged vessels	Number	1	1





# PRES<sub>2</sub>ENCE

## LOCAL KNOW-HOW AND ACCESSIBILITY

Our 27 years of experience is your guarantee. We know the shipowners' reality, and we understand how to create and maintain long-lasting partnerships within the industry.

We accelerate decision-making and encourage rapid knowledge exchange within our group of customers.

We continuously maintain and develop our fleet in order to meet market standards as stipulated by the industry - while also complying with national and international rules and regulations.

# DEFINITIONS AND PRINCIPLES

## ENVIRONMENTAL DEFINITIONS AND ACCOUNTING PRINCIPLES

Financial year (FY) 2021/22 is the first year that Uni-Tankers has calculated its overall GHG emissions. The GHG emissions for Uni-Tankers are hereafter reported yearly and follow the company's financial year, which runs from 1 May up to and including 30 April the following year. In this first year of reporting, comparative figures from FY 2020/21 have been included using same accounting principles as for FY 2021/22.

## GREENHOUSE GAS PROTOCOL

The carbon accounts from Uni-Tankers have been set up based on the standards as set out by the Greenhouse Gas Protocol (GHG Protocol). The GHG Protocol is an internationally recognized standard used to account for greenhouse gas emissions and is used by the majority of organizations reporting on their greenhouse gas emissions. The GHG Protocol covers the accounting and reporting of seven greenhouse gases that are covered by the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).

Scope 1 emissions are all direct GHG Emissions, resulting from the activities of an organization or under their control. This includes emissions from mobile combustion and stationary combustion, such as fuel combustion by the fleet or vehicles, and onsite fuel combustion.

Scope 2 emissions are indirect GHG emissions related to electricity, heating, and cooling consumption. More specifically, emissions from electricity, district heating, and district cooling purchased and used by the organization. Emissions are created during the production of the energy and eventually used by the organization. The organization can control consumption, but they do not directly "own" the emissions.

Scope 3 emissions cover all other indirect GHG emissions. These emissions cover what is emitted in the organization's value chain, both upstream and downstream activities. What is included in scope 3 emissions is up to the organization to decide for itself and depends on the relevance of each of the activities as well as what information is available or can be estimated.

## GHG ACCOUNTING PRINCIPLES

### BUNKER FUEL COMBUSTED BY OWNED VESSELS (SCOPE 1)

GHG emissions related to the combustion of MGO and VLSFO used for the main and auxiliary engines in the owned fleet. The GHG emissions are calculated based on the annual consumption of these bunker fuels and the most recent emission factors. The emissions factors for MGO have been published by the International Maritime

Organisation (IMO) while the emissions factor for VLSFO has been published by the International Council on Clean Transportation (ICCT).

### FUEL COMBUSTION BY COMPANY CARS (SCOPE 1)

GHG emissions related to the combustion of petrol and diesel used in company cars owned or controlled by the applicable Uni-Tankers entities. The GHG emissions are calculated based on the annual consumption of these fuels and the most recent emission factor published by UK Government Department for Environment, Food & Rural Affairs (DEFRA). GHG emissions associated with combustion of fuels in transportation vehicles such as automobiles, vans.

### STATIONARY COMBUSTION (SCOPE 1)

GHG emissions related to the combustion of natural gas used for the heating of offices. The GHG emissions are calculated based on the annual consumption of natural gas and the most recent emission factor published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA).

### PURCHASED ELECTRICITY (SCOPE 2)

GHG emissions related to purchased electricity at all Uni-Tankers' offices, calculated using the location-based approach. The GHG emissions are calculated based on the annual electricity consumption and the respective country's average grid GHG emission factor published by the International Energy Agency (IEA).

### PURCHASED HEATING (SCOPE 2)

GHG emissions related to purchased district heating at Uni-Tankers' offices. The GHG emissions are calculated

based on the annual heating consumption and the respective country's average grid GHG emission factor published by the International Energy Agency.

#### **PURCHASED GOODS AND SERVICES (SCOPE 3, CATEGORY 1)**

The upstream GHG emissions related to purchased goods and services by all Uni-Tankers' owned vessels and limited services paid for and controlled by Uni-Tankers for time-chartered vessels. The GHG emissions are calculated based on the spend data on different goods and services categories and product category emission factors published by the World Input-Output Database (WIOD).

#### **PURCHASED CAPITAL GOODS (SCOPE 3, CATEGORY 2)**

The upstream GHG emissions related to purchased capital goods by all applicable Uni-Tankers entities. The GHG emissions are calculated based on the spend data on different capital goods categories and product category emission factors published by the World Input-Output Database (WIOD).

#### **FUEL AND ENERGY-RELATED ACTIVITIES (SCOPE 3, CATEGORY 3)**

The upstream GHG emissions related to purchased fuels and energy by all Uni-Tankers' onshore offices and owned vessels. This includes all fuels covered in Scope 1 and all energy (electricity, heating, and cooling) reported in Scope 2. The GHG emissions are calculated based on the consumption data on the different types of fuel and energy and the respective upstream emission factors published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA), the International Energy Agency (IEA), and International Council on Clean Transport (ICCT).

#### **UPSTREAM TRANSPORTATION AND DISTRIBUTION (SCOPE 3, CATEGORY 4)**

The lifecycle GHG emissions related to the transportation and distribution of purchased products from tier-one suppliers in vehicles not owned or operated by Uni-Tankers, as well as third-party transportation and distribution services purchased by Uni-Tankers. This includes all third-party logistics and transportation services via road, sea or air for the purpose of transporting purchased products to Uni-Tankers' owned vessels. The emission factors are published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA).

#### **BUSINESS TRAVEL (SCOPE 3, CATEGORY 6)**

GHG emissions related to business travel by all applicable Uni-Tankers employees. The GHG emissions are calculated based on the purchase of flights and the emission factors published by the UK Government Department for Environment, Food & Rural Affairs (DEFRA).

#### **UPSTREAM LEASED ASSETS (SCOPE 3, CATEGORY 8)**

GHG emissions related to the combustion of very low sulfur fuel oil (VLSFO) and marine gas oil (MGO) used in time-chartered vessels. The GHG emissions are calculated based on the annual consumption of these fuels and the most recent emission factor published by the International Maritime Organisation (IMO) and International Council on Clean Transport (ICCT).

### **OTHER DEFINITIONS**

#### **AER (G/DWTXNM)**

AER (Average Efficiency Ratio) is a measure using the

parameters of fuel consumption, distance travelled, and design deadweight tonnage. The measure is defined as grams CO<sub>2</sub> emissions per deadweight-ton-nautical mile. AER is affected by vessels size, speed, duration of waiting time and port stays.

#### **BALLAST WATER TREATMENT SYSTEMS**

Percentage of the Uni-Tankers owned fleet with installed ballast water treatment systems.

#### **SOX EMISSIONS**

SOx emissions are calculated based on maximum sulfur content for the different fuel types.

#### **ENERGY CONSUMPTION FLEET**

Energy consumption is calculated basis mean calorific value of bunkers used.

#### **SPILLS**

Includes incidents of oil spills into the sea from owned and time-chartered vessels.

### **SOCIAL DEFINITIONS**

#### **LOST TIME INJURY FREQUENCY (LTIF)**

This is the number of Lost Time Injuries per one million exposure hours in accordance with OCIMF Marine Injury Reporting Guidelines.

#### **RETENTION RATE**

Retention rates are calculated according to Intertanko guidelines.



# STATEMENT

## BY THE MANAGEMENT OF UNI-TANKERS A/S REGARDING THE GREENHOUSE GAS INVENTORY FY 2021/22

Management has today considered and approved the Greenhouse Gas Inventory FY 2021/22.

The Greenhouse Gas Inventory for FY 2021/22 has been prepared in accordance with The Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard (revised edition). The Greenhouse Gas Statement comprises the Scope 1-3 emissions inventory of Uni-Tankers A/S, Uni-Tankers France SarL, Uni Tankers Denizcilik ve Tic. Ltd. Şti, Uni-Tankers USA LLC, Uni-Chartering A/S, owned vessels and time-chartered vessels, as defined by Management's Accounting Principles for its Greenhouse Gas Inventory.

In our opinion, the Greenhouse Gas Inventory FY 2021/22 is in accordance with The Greenhouse Gas Protocol and Management's Accounting Principles for its Greenhouse Gas Inventory, and is free from material misstatement and omissions, whether due to fraud or error, including the accuracy and completeness of the data, sources and assumptions used.

**MIDDELFART, 28 JUNE 2022**

On behalf of Management



---

**Per Ekmann, CEO**



---

**Thomas Thomsen, CFO**



# INDEPENDENT AUDITOR'S COMPILATION REPORT

## TO THE MANAGEMENT OF UNI-TANKERS A/S

We have compiled the Greenhouse Gas Inventory of Uni-Tankers A/S for FY 2021/22, based on the information we have received from Management.

The Greenhouse Gas Inventory comprises the Scope 1-3 emissions inventory of Uni-Tankers A/S, Uni-Tankers France SarL, Uni Tankers Denizcilik ve Tic. Ltd. Şti, Uni-Tankers USA LLC, Uni-Chartering A/S, owned vessels and time-chartered vessels. The Accounting Principles and summary of results are found on page 42, Definitions and Principles, of this Compilation Report.

We performed this work in accordance with ISRS 4410 Compilation Engagements.

We have applied our professional expertise to assist Management in the preparation and presentation of the Greenhouse Gas Inventory in accordance with The Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard (revised edition).

We have complied with the requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

The Greenhouse Gas Inventory and the accuracy and completeness of the assumptions used to prepare the statement are the sole responsibility of Management.

Since a Compilation Engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile this Greenhouse Gas Inventory. Accordingly, we do not express an audit opinion or a review conclusion about the Greenhouse Gas Statement.

**COPENHAGEN, 28 JUNE 2022**

**Deloitte Statsautoriseret Revisionspartnerselskab**

Company Reg No. 33 96 35 56

**Thomas Rosquist Andersen**

State-Authorised Public Accountant

Identification No (MNE) mne31482

**Helena Barton**

Partner







# 4

---

FINANCIAL  
REVI<sub>3</sub>EW

# FINANCIAL REVIEW

Comparative figures for 2020/21 are stated in brackets.

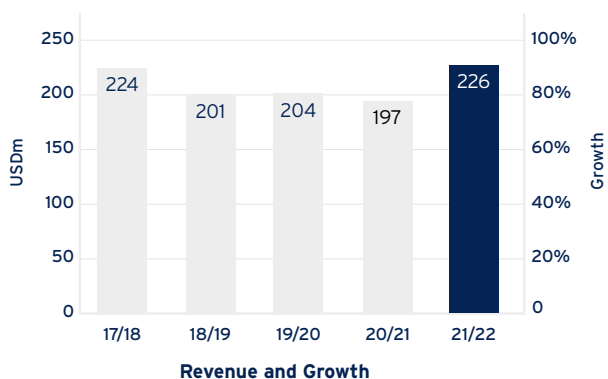
## OPERATING ACTIVITIES

Revenue increased by 14.6% to USD 226.3 million (USD 197.4 million) on the back of a challenging market as a result of the COVID-19 pandemic.

Direct expenses increased to USD 159.4 million (USD 139.2 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 time-chartered vessels and more stainless steel tonnage, which are more expensive in time-charter hire.

Gross profit for the year increased by USD 8.7 million to USD 66.9 million (USD 58.2 million).

Staff and other external expenses increased to USD 46.9 million (USD 43.6 million).



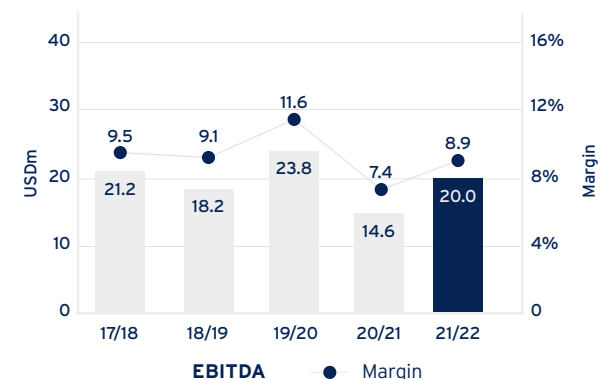
Due to the improved market conditions during second half of the financial year, EBITDA increased by USD 5.4 million to USD 20.0 million (USD 14.6 million).

Depreciation and amortisation increased to USD 21.8 million (USD 17.9 million), due to investments in the vessels, among others ballast water treatment systems combined with price increases on spare parts used on our vessels.

Net financial expenses amounted to USD 3.8 million (USD 2.9 million), due to decreased interest rates on vessel loans.

Net result after tax for 2021/22 was a loss of USD 5.1 million (loss of USD 5.5 million).

Balance sheet and capital position on 30 April 2022, total assets amounted to USD 196.3 million (USD 196.2 million).



## VESSELS

Book value of vessels and equipment remained unchanged at USD 157.8 million (USD 161.8 million). Eight of the Group's owned vessels have been dry-docked for repair works and statutory surveys, amounting in total investments to USD 17.1 million (USD 15.5 million), while ordinary depreciation amounted to USD 21.5 million (USD 17.1 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. 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 2022, equity was USD 64.6 million (USD 69.7 million) decreased by a loss for the year of USD 5.1 million and decreased by adjustment of hedging instruments of USD 0.04 million. The solvency rate on 30 April 2022 is 32.9% (35.5%).

## **DEBT TO CREDIT INSTITUTIONS**

Total debt to credit institutions decreased to USD 99.6 million (USD 103.6 million) following ordinary loan repayments.

## **CASH FLOW AND FINANCIAL RESOURCES**

The Group's cash flow from operating activities increased to USD 17.8 million (USD 15.7 million) reflecting the increase in EBITDA and a positive change in working capital of USD 1.5 million (USD 3.8 million).

Investing activities affected cash flow negatively by USD 17.6 million (USD 17.3 million) primarily comprising docking expenses and other investments in vessels combined with price increases on spare parts used on our vessels.

Financing activities have a positive cash effect of USD 3.2 million (USD -10.4 million).

Cash and cash equivalents increased by USD 3.4 million in 2021/22 to USD 1.5 million (USD -1.9 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.





# 5

---

## FINANCIAL STATEMENTS



## INCOME STATEMENT

### 1 MAY - 30 APRIL

USD '000	Note	Group		Parent Company	
		2021/22	2020/21	2021/22	2020/21
<b>Revenue</b>	1	<b>226,270</b>	<b>197,401</b>	<b>226,270</b>	<b>197,401</b>
Direct expenses		(159,419)	(139,199)	(223,661)	(197,311)
Other operating income		0	(4)	30,705	28,295
<b>Gross profit</b>		<b>66,851</b>	<b>58,198</b>	<b>33,314</b>	<b>28,385</b>
Staff expenses	2	(30,586)	(29,103)	(28,082)	(26,738)
Other external expenses		(16,241)	(14,486)	(4,913)	(2,438)
<b>Profit/loss before depreciation, etc, (EBITDA)</b>		<b>20,024</b>	<b>14,609</b>	<b>319</b>	<b>(791)</b>
Depreciation and amortisation		(21,778)	(17,908)	(307)	(231)
<b>Profit/loss before financial income and expenses</b>		<b>(1,754)</b>	<b>(3,299)</b>	<b>12</b>	<b>(1,022)</b>
Result in subsidiaries		0	0	(6,744)	(5,176)
Financial income	3	2,784	1,176	3,627	1,552
Financial expenses	4	(6,589)	(4,070)	(1,442)	(568)
<b>Profit/loss before tax</b>		<b>(5,559)</b>	<b>(6,193)</b>	<b>(4,547)</b>	<b>(5,214)</b>
Corporation tax	5	495	665	(517)	(314)
<b>Net profit/loss for the year</b>		<b>(5,064)</b>	<b>(5,528)</b>	<b>(5,064)</b>	<b>(5,528)</b>
Distribution of profit/loss	6				

## BALANCE SHEET

### 30 APRIL

#### ASSETS

USD '000	Note	Group		Parent Company	
		2022	2021	2022	2021
Goodwill		0	392	0	0
Software		825	524	825	524
<b>Intangible assets</b>	7	<b>825</b>	<b>916</b>	<b>825</b>	<b>524</b>
Vessels and equipment		157,787	161,790	0	0
Fixtures and fittings, tools and equipment		42	55	27	36
Leasehold improvements		66	105	64	100
Prepayments		0	74	0	74
<b>Property, plant and equipment</b>	8	<b>157,895</b>	<b>162,024</b>	<b>91</b>	<b>210</b>
Investments in subsidiaries		0	0	26,108	9,983
<b>Fixed asset investments</b>	9	<b>0</b>	<b>0</b>	<b>26,108</b>	<b>9,983</b>
<b>Fixed assets</b>		<b>158,720</b>	<b>162,940</b>	<b>27,024</b>	<b>10,717</b>
Inventories		7,427	4,038	0	0
<b>Inventories</b>		<b>7,427</b>	<b>4,038</b>	<b>0</b>	<b>0</b>
Trade receivables		13,489	10,924	11,953	10,396
Receivables from group enterprises		404	486	41,624	83,539
Other receivables		498	317	280	282
Corporation tax	10	7,826	8,565	0	0
Deferred tax		194	0	0	0
Prepayments		6,272	6,860	374	464
<b>Receivables</b>		<b>28,683</b>	<b>27,152</b>	<b>54,231</b>	<b>94,681</b>
<b>Cash and cash equivalents</b>		<b>1,490</b>	<b>2,108</b>	<b>110</b>	<b>953</b>
<b>Current assets</b>		<b>37,600</b>	<b>33,298</b>	<b>54,342</b>	<b>95,634</b>
<b>Total assets</b>		<b>196,320</b>	<b>196,238</b>	<b>81,365</b>	<b>106,351</b>



## BALANCE SHEET

### 30 APRIL

#### EQUITY AND LIABILITIES

USD '000	Note	Group		Parent Company	
		2022	2021	2022	2021
Share capital		10,990	10,990	10,990	10,990
Retained earnings		53,564	58,663	53,565	58,663
<b>Equity</b>		<b>64,554</b>	<b>69,653</b>	<b>64,554</b>	<b>69,653</b>
Other provisions		0	0	1,936	1,936
<b>Provisions</b>		<b>0</b>	<b>0</b>	<b>1,936</b>	<b>1,936</b>
Credit institutions	11	99,218	89,405	0	0
Subordinated loan		3,500	0	3,500	0
Other payables		492	1,052	492	1,052
<b>Long-term liabilities</b>		<b>103,210</b>	<b>90,457</b>	<b>3,992</b>	<b>1,052</b>
Credit institutions	11	338	14,207	0	3,986
Trade payables		12,218	12,302	1,901	958
Payables to group enterprises		11,028	7,245	4,000	24,554
Corporation tax		12	8	2,850	2,683
Other payables		2,346	1,531	2,132	1,507
Deferred income		2,614	835	0	0
<b>Short-term liabilities</b>		<b>28,556</b>	<b>36,128</b>	<b>10,883</b>	<b>33,688</b>
<b>Liabilities</b>		<b>131,766</b>	<b>126,585</b>	<b>14,875</b>	<b>34,740</b>
<b>Total equity and liabilities</b>		<b>196,320</b>	<b>196,238</b>	<b>81,365</b>	<b>106,351</b>
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 policies and definitions	18				

## STATEMENT OF CHANGES IN EQUITY

2021/22	Group					Parent Company				
	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
USD '000										
Equity on 1 May	10,990	56,158	2,551	(46)	69,653	10,990	56,158	2,551	(46)	69,653
Exchange rate adjustments	0	0	0	6	6	0	0	0	6	6
Fair value adjustment of hedging instruments	0	0	(41)	0	(41)	0	0	(41)	0	(41)
Net profit for the year	0	(5,064)	0	0	(5,064)	0	(5,064)	0	0	(5,064)
<b>Equity on 30 April</b>	<b>10,990</b>	<b>51,094</b>	<b>2,510</b>	<b>(40)</b>	<b>64,554</b>	<b>10,990</b>	<b>51,094</b>	<b>2,510</b>	<b>(40)</b>	<b>64,554</b>

2020/21	Group					Parent Company				
	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
USD '000										
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)
<b>Equity on 30 April</b>	<b>10,990</b>	<b>56,158</b>	<b>2,551</b>	<b>(46)</b>	<b>69,653</b>	<b>10,990</b>	<b>56,158</b>	<b>2,551</b>	<b>(46)</b>	<b>69,653</b>

## CASH FLOW STATEMENT

### 1 MAY - 30 APRIL

<b>Group</b>		
USD '000	<b>2021/22</b>	<b>2020/21</b>
Loss for the year before tax	(5,559)	(6,193)
Reversal of depreciation, amortisation, write-down, profit from sale of assets, and exchange rate adjustments for the year	21,778	17,908
Amortisation of loan costs	98	182
Changes in inventories	(3,389)	(1,893)
Changes in receivables	(993)	1,239
Changes in trade payables and other debt, etc	5,835	4,438
<b>Cash flow from ordinary activities</b>	<b>17,770</b>	<b>15,681</b>
Corporation tax paid	(12)	(8)
<b>Cash flow from operating activities</b>	<b>17,758</b>	<b>15,673</b>
Purchase of property, plant and equipment	(17,067)	(17,044)
Purchase of intangible assets	(486)	(209)
<b>Cash flow from investing activities</b>	<b>(17,553)</b>	<b>(17,253)</b>
Repayment/raising of loans from credit institutions (net)	(338)	(10,404)
Subordinated loan	3,500	0
<b>Cash flow from financing activities</b>	<b>3,163</b>	<b>(10,404)</b>
<b>Changes in cash and cash equivalents</b>	<b>3,368</b>	<b>(11,984)</b>
Cash and cash equivalents on 1 May	(1,877)	10,107
<b>Cash and cash equivalents on 30 April</b>	<b>1,490</b>	<b>(1,877)</b>



A large white number '6' is positioned on the left side of the image, overlaid on a red boat hull. The background shows white water splashing against a blue background. A thin white horizontal line extends from the right side of the number '6' towards the text on the right.

# 6

NOTES TO  
THE FINANCIAL  
STATEMENTS



## NOTES TO THE FINANCIAL STATEMENTS

### 1. Revenue

USD '000	Group 2021/22	Parent Company 2021/22
Geographical markets		
USA	45,216	45,216
Europe/Middle East	173,688	173,688
Asia Pacific	7,366	7,366
	<b>226,270</b>	<b>226,270</b>

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

### 2. Staff expenses

USD '000	Group		Parent Company	
	2021/22	2020/21	2021/22	2020/21
Rented crew	(9,096)	(8,534)	(9,096)	(8,212)
Wages and salaries	(14,055)	(13,879)	(12,233)	(11,903)
Pensions	(814)	(800)	(748)	(730)
Social security expenses	(1,163)	(913)	(379)	(370)
Other staff expenses	(5,458)	(4,977)	(5,626)	(5,523)
	<b>(30,586)</b>	<b>(29,103)</b>	<b>(28,082)</b>	<b>(26,738)</b>
Average number of employees	629	630	614	614
The figures include rented crew on vessels				
Including remuneration to the Executive Board and Board of Directors of:				
Executive Board	1,112	626	1,112	626
Supervisory Board	191	224	191	224
	<b>1,303</b>	<b>850</b>	<b>1,303</b>	<b>850</b>

Staff expenses include the salaries of crew in the Parent Company's subsidiaries. These expenses are invoiced to the ship-owning companies and recognised as revenue for the Parent Company.

## NOTES TO THE FINANCIAL STATEMENTS

<b>3. Financial income</b>	<b>Group</b>		<b>Parent Company</b>	
	<b>2021/22</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2020/21</b>
USD '000				
Intercompany interest income	0	1	3,627	1,552
Exchange rate adjustments	2,784	1,175	0	0
	<b>2,784</b>	<b>1,176</b>	<b>3,627</b>	<b>1,552</b>

<b>4. Financial expenses</b>	<b>Group</b>		<b>Parent Company</b>	
	<b>2021/22</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2020/21</b>
USD '000				
Other financial expenses	(6,589)	(4,070)	(1,442)	(568)
	<b>(6,589)</b>	<b>(4,070)</b>	<b>(1,442)</b>	<b>(568)</b>

<b>5. Corporation tax</b>	<b>Group</b>		<b>Parent Company</b>	
	<b>2021/22</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2020/21</b>
USD '000				
Current tax for the year	495	665	(517)	(314)
	<b>495</b>	<b>665</b>	<b>(517)</b>	<b>(314)</b>



## NOTES TO THE FINANCIAL STATEMENTS

6. Distribution of profit/loss USD '000	Group		Parent Company	
	2021/22	2020/21	2021/22	2020/21
Proposed distribution of loss:				
Retained earnings	(5,064)	(5,528)	(5,064)	(5,528)
	<b>(5,064)</b>	<b>(5,528)</b>	<b>(5,064)</b>	<b>(5,528)</b>

## 7. Intangible assets

USD '000	Goodwill	Software
<b>Group</b>		
Cost on 1 May	5,887	2,585
Exchange rate adjustments	0	(11)
Additions for the year	0	482
<b>Cost on 30 April</b>	<b>5,887</b>	<b>3,054</b>
Depreciation and amortisation on 1 May	5,495	2,061
Exchange rate adjustments	0	(10)
Depreciation and amortisation for the year	392	178
<b>Depreciation and amortisation on 30 April</b>	<b>5,887</b>	<b>2,229</b>
<b>Carrying amount on 30 April</b>	<b>0</b>	<b>825</b>
<b>Parent Company</b>		
Cost on 1 May	-	2,514
Additions for the year	-	482
<b>Cost on 30 April</b>	<b>-</b>	<b>2,996</b>
Depreciation on 1 May	-	1,992
Depreciation for the year	-	179
<b>Depreciation on 30 April</b>	<b>-</b>	<b>2,171</b>
<b>Carrying amount on 30 April</b>	<b>-</b>	<b>825</b>

## NOTES TO THE FINANCIAL STATEMENTS

<b>8. Property, plant and equipment</b>				
USD '000	<b>Vessels and equipment</b>	<b>Fixtures and fittings, tools and equipment</b>	<b>Leasehold improvements</b>	<b>Prepayments</b>
<b>Group</b>				
Cost on 1 May	317,674	1,107	299	74
Exchange rate adjustments	0	(60)	(9)	0
Additions for the year	17,067	20	3	0
Disposals for the year	(10,759)	0	0	0
<b>Cost on 30 April</b>	<b>323,982</b>	<b>1,067</b>	<b>293</b>	<b>74</b>
Depreciation on 1 May	155,884	1,052	194	0
Exchange rate adjustments	0	(46)	(2)	0
Depreciation for the year	21,070	19	35	74
Reversed depreciation on disposals for the year	(10,759)	0	0	0
<b>Depreciation on 30 April</b>	<b>166,195</b>	<b>1,025</b>	<b>227</b>	<b>74</b>
<b>Carrying amount on 30 April</b>	<b>157,787</b>	<b>42</b>	<b>66</b>	<b>0</b>
<b>Parent Company</b>				
Cost on 1 May	0	640	266	74
Additions for the year	0	8	0	0
<b>Cost on 30 April</b>	<b>0</b>	<b>648</b>	<b>266</b>	<b>74</b>
Depreciation on 1 May	0	604	166	0
Depreciation for the year	0	17	36	74
<b>Depreciation on 30 April</b>	<b>0</b>	<b>621</b>	<b>202</b>	<b>74</b>
<b>Carrying amount on 30 April</b>	<b>0</b>	<b>27</b>	<b>64</b>	<b>0</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 9. Fixed asset investments

USD '000

Investments  
in subsidiaries

Parent Company	
Cost on 1 May	121,374
Additions for the year	22,950
Disposals for the year	0
<b>Cost on 30 April</b>	<b>144,324</b>
Value adjustments on 1 May	(111,391)
Exchange rate adjustments	0
Net loss for the year	(23,651)
Fair value adjustment of hedging instruments for the year	(41)
Amortisation of goodwill	(392)
Reversals for the year of revaluations in previous years	17,300
Extra ordinary dividend	(41)
<b>Value adjustments on 30 April</b>	<b>(118,216)</b>
<b>Carrying amount on 30 April</b>	<b>26,108</b>
Remaining positive difference included in the above carrying amount	0

Investments in subsidiaries are specified as follows:

Name	Place of reg. office	Ownership share
Uni-Chartering A/S	Middelfart	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	2021/22	2020/21
Corporate tax, current year	495	665
Corporate tax, joint taxation prior years	7,525	7,900
	<b>8,020</b>	<b>8,565</b>

### 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 3,104 k.

## 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 246k. 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 99,556k. At the balance sheet date, the carrying amount of the assets provided as security was USD 157,787k.

#### Rental and lease obligations

The Group has concluded contracts with the following obligations:

- Tenancy contract with group enterprises with a total obligation of USD 375k
- Operating leases with a total obligation of USD 281k
- Time-charter contracts with a total obligation of USD 63,395k.

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	92	283	0
Operating leases	219	62	0
Time-charter contracts	58,050	5,345	0
	<b>41,074</b>	<b>644</b>	<b>0</b>

## 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 99,556k in respect of the obligations of group enterprises toward credit institutions. At the balance sheet date, the obligations of group enterprises amounted to USD 99,556k.

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 7,427k.

#### Rental and lease obligations

The Company has concluded an operating lease with a total obligation of USD 281k.

USD '000	Within 1 year	Between 1 and 5 years	After 5 years
Tenancy contracts with group enterprises	0	0	0
Operating leases	219	62	0
	<b>219</b>	<b>62</b>	<b>0</b>

## 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	2021/22	2020/21
<b>Group</b>		
<b>PricewaterhouseCoopers</b>		
Fee for statutory audit	87	97
Tax services	7	10
Non-audit services	79	160
	<b>173</b>	<b>267</b>
<b>MooreStephens</b>		
Fee for statutory audit	5	5
Non-audit services	7	10
	<b>12</b>	<b>15</b>

### 17. Subsequent events

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

---

## 18. Accounting policies and definitions

---

### BASIS OF PREPARATION

The Annual Report of Uni-Tankers A/S for 2021/22 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 2021/22 is presented in USD thousands. On 30 April 2022, the year-end exchange rate for USD/DKK was 7.06. The comparative figures are translated at the historical year-end exchange rate which as of 30 April 2021 was 6.13.

### RECOGNITION AND MEASUREMENT

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

Revenues are recognized 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 recognized in the income statement.

Assets are recognized 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 recognized 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 realized and unrealized 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 recognized 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 recognized 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 recognized in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

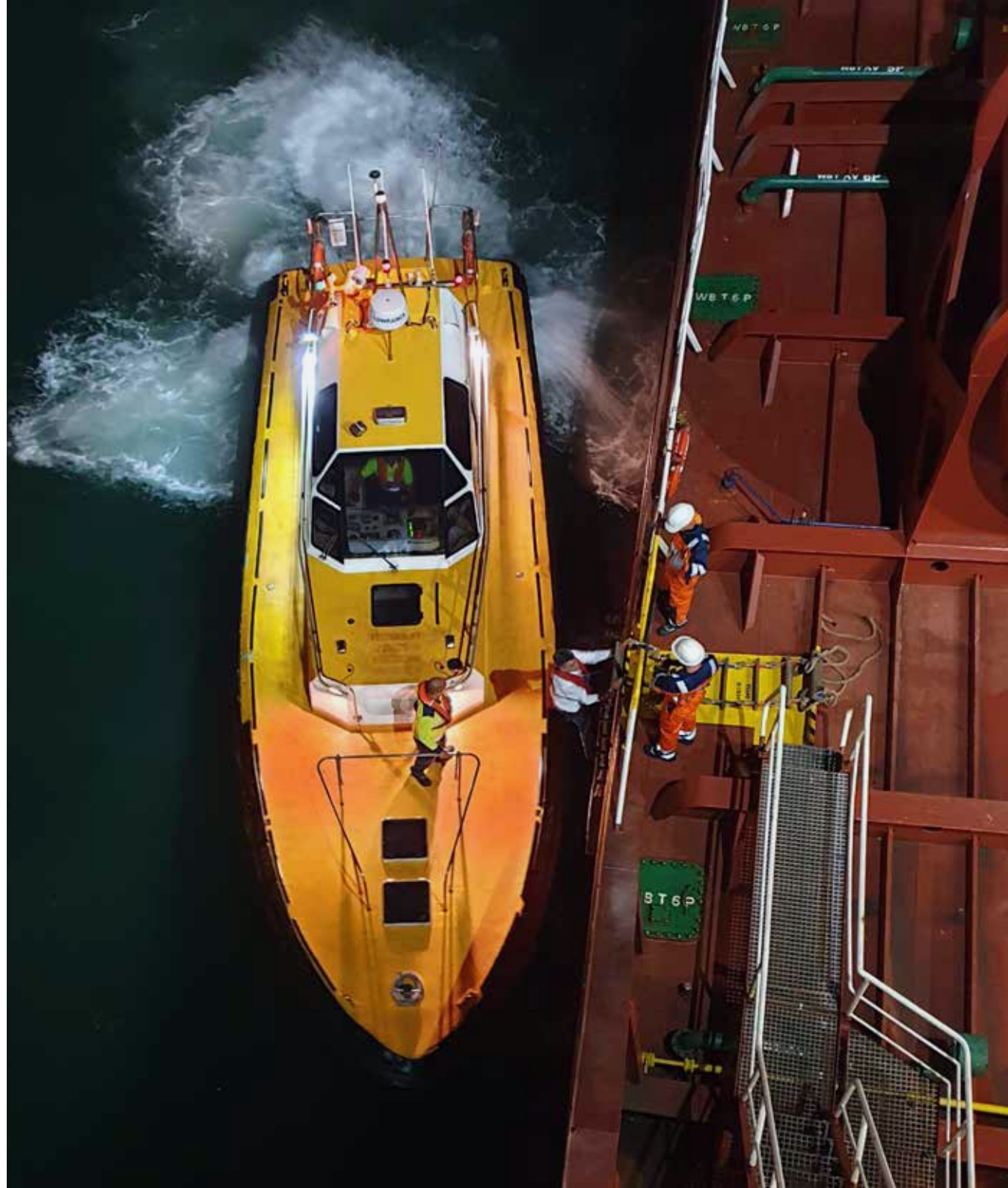
All other leases are considered operating leases. Payments relating to operating leases are recognized in the income statement on a straight line basis over the lease period.

### **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 recognized 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 recognized 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 recognized directly in equity.





# TRU<sub>4</sub>ST

## SAFE HANDLING OF HAZARDOUS GOODS

Shipping is more than vessels and cargoes. It is more than being in the right place at the right time. It is about people. And it is about honoring the trust our customers place in our hands.

## **DERIVATIVE FINANCIAL INSTRUMENTS**

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

Changes in the fair values of derivative financial instruments are recognized 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 recognized asset or a recognized liability are recognized 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 recognized 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 recognized. The amount is recognized in the same item as the hedged transaction.

## **INCOME STATEMENT**

### ***Revenue***

Revenue is recognized 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 recognized exclusive of VAT and duties.

Revenue includes income from ship-owning activities, which is cut off and recognized 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, realized and unrealized 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 recognized in the income statement, whereas the tax attributable to equity transactions is recognized 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.

## 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 recognized 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 recognized 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 2022 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.



# SOLU<sub>5</sub>TIONS

## **FAST AND COMPETENT PROBLEM-SOLVING**

Liquid cargo is demanding and requires constant surveillance and operational excellence. In different shipping markets and on oceans where situations can change from minute to minute, we take pride in our ability to solve any task, any challenge, any problem at any time.

To accomplish that, we employ a rigorous system of communication and control. Here, we rely on excellent cooperation between captain, crew, local office staff, port authorities and our other experts. All to make sure that we can provide our customers with market-leading information and to take complete responsibility for their cargo.

**Investments in subsidiaries**

Investments in subsidiaries are recognized 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 unrealized 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 recognized at USD 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognized 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 recognized in the income statement.

**Inventories**

Inventories are measured at cost under the FIFO method. Inventories among 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 recognized 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 recognized in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognized 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 crystallize 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 realized, 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 recognized 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 recognized 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 recognized 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 received 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**

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

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

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

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

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









7

---

**BOARD OF  
DIRECTORS**



FROM LEFT:

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

# BOARD OF DIRECTORS

## 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.

## 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, Unit IT A/S, CM Biomass Partners A/S, Middelfart Erhvervsråd and Marius Pedersens Fond. Member of Beiratsitzung Nord, Deutsche Bank.

### Education

MSc in Applied Economics and Finance supplemented by courses at Harvard University and London School of Economics and Political Science.

## MIA ØSTERGAARD RECHNITZER

*Board member*

Born in 1989.  
Board member since 2020.  
Head of Corporate Governance and owner of the USTC Group (A/S United Shipping & Trading Company).

### Special competences

C-suite succession planning, C-level and board composition, board and leadership assessments, governance structure, development and implementation of ESG strategy.

### Other directorships

Member of the boards in the USTC Group (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.

## 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 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 A/S United Shipping & Trading Company, 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.

## 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. Moller-Maersk 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, Bunker Holding A/S, and MPC Container Ships ASA.

### **Education**

Shipping education at A.P. Moller-Maersk supplemented with management training at INSEAD and Cornell University.

## 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 A/S United Shipping & Trading Company, Bunker Holding A/S, DSVM Invest A/S and certain subsidiaries, BCHG Holding A/S and certain subsidiaries and Ørsted A/S.

### **Education**

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

## MORTEN H. BUCHGREITZ

*Board member*

Born in 1967.  
Board member since 2014.  
GSVP at Vestas Wind Systems A/S.

### **Special competences**

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

### **Other directorships**

Chairman and member of the boards in several Vestas Group companies. Member of the boards in A/S United Shipping & Trading Company, Bunker Holding A/S, CM Biomass A/S, K/S Habro-Lowestoft, K/S Meiderich and Aps Habro Komplementar-19.

### **Education**

MSc in Business Administration and Computer Science.

## **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, and British Chamber of Commerce in Denmark, Sølovsudvalget.

### **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.







8

**MANAGEMENT'S  
STATEMENT**





# MANAGEMENT'S STATEMENT

## SIGNATURES

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 2021 - 30 April 2022.

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 2022 and of the results of the Parent Company and Group operations and consolidated cash flows for 2021/22.

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, 28 June 2022.

## EXECUTIVE BOARD

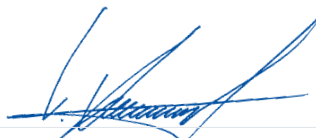


**Per Ekmann**



**Thomas Thomsen**

## BOARD OF DIRECTORS



**Torben Østergaard-Nielsen**  
Chairman



**Klaus Nyborg**  
Deputy Chairman



**Peter Appel**



**Torben Janholt**



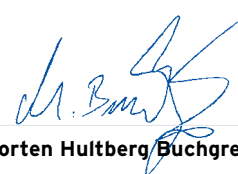
**Peter Frederiksen**



**Nina Østergaard Borris**



**Peter Korsholm**



**Morten Hultberg Buchgreitz**



**Mia Østergaard Rechnitzer**

## **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 2022, 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 2021 - 30 April 2022 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 2021 - 30 April 2022, 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 Financial 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, 28 June 2022

**PricewaterhouseCoopers**

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



**Jens Weiersøe Jakobsen**  
State Authorised Public Accountant  
mne30152



**Henrik Forthoft Lind**  
State Authorised Public Accountant  
mne34169





9

---

**GRO<sub>2</sub>UP  
CHART**

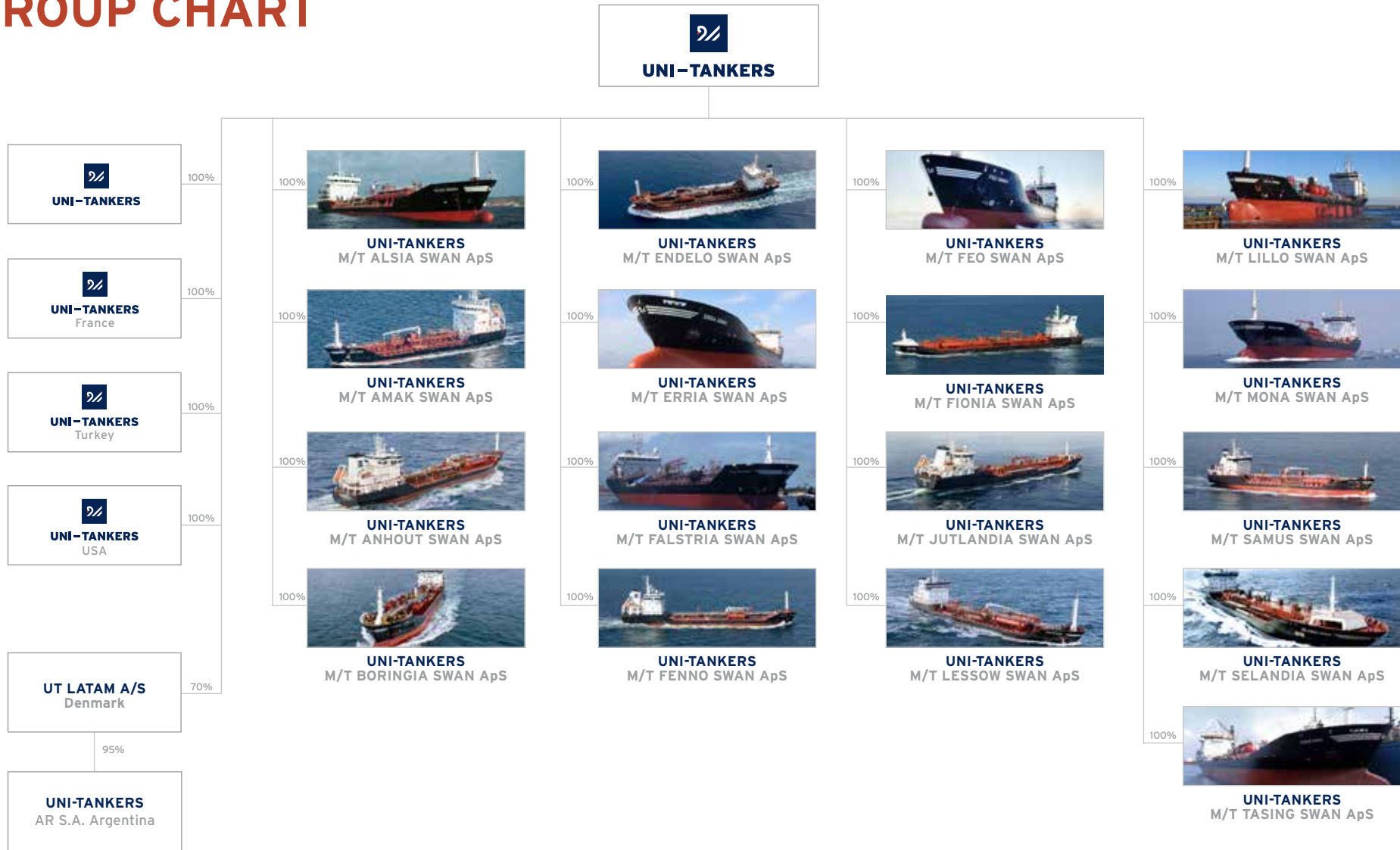


BORINGIA SWAN

NO SMOKING

SAFETY FIRE

# GROUP CHART









# 10

---

**COMPANY  
INFO<sub>4</sub>RMATIOIN**



# UNI-TANKERS

## HEAD OFFICE

Turbinevej 10  
5500 Middelfart

## DENMARK

P: +45 88 61 88 61  
chartering@uni-tankers.com

Østre Havnegade 16  
9000 Aalborg

## DENMARK

P: +45 88 30 39 89  
chartering@uni-tankers.com

440 Louisiana Street  
Suite 2100  
Houston, TX 77002

## USA

P: +1 281 833 7271  
chartering@uni-tankers.com

Villa 'La Täne'  
609 Chemin de Pigranel  
06250 Mougins

## FRANCE

P: +33 493 121 934  
chartering@uni-tankers.com

Bagdat Cad. Gokce Sok.Toksoy  
Apt. No: 10/17 - 18  
34728 Caddebostan, Istanbul

## TURKEY

P: +90 216 302 5900  
chartering@uni-tankers.com

[UNI-TANKERS.COM](http://UNI-TANKERS.COM)







**UNI-TANKERS**

TURBINEVEJ 10, 5500 MIDDELFART, DENMARK, +45 88 61 88 61  
COMPANY REG. NO. 12 56 07 96

[UNI-TANKERS.COM](http://UNI-TANKERS.COM)