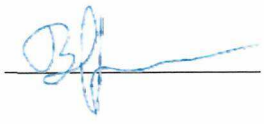
Ultranav Business Support ApS

Annual Report 2020

Adopted at the Annual General Meeting of shareholders on 21 May 2021.



CVR no. 25 11 27 68
Smakkedalen 6,
DK-2820 Gentofte

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ultranav Business Support ApS for the financial period 1 January – 31 December 2020.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and its financial position.

We recommend that the annual report be approved at the annual general meeting.

Gentofte, 21 May 2021

Executive Board:

Oskar Fabricius

Board of Directors:

Per Lange
Chairman

Martin Fruergaard

Francisco Larrain

Independent auditors' report

To the shareholders of Ultranav Business Support ApS

Opinion

We have audited the financial statements of Ultranav Business Support ApS for the financial year 1 January – 31 December 2020, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of 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 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 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 as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 21 May 2021
EY
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Thomas Bruun Kofoed
State Authorised Public Accountant
MNE 28667

Tommy Borgaard Nielsen
State Authorised Public Accountant
MNE 34340

Management Review

Ultranav Business Support ApS
Smakkedalen 6, 2820 Gentofte, Denmark

Telephone: +45 3997 0400

CVR no.: 25 11 27 68
Established: 27 November 2013
Registered office: Gentofte, Denmark
Financial year: 1 January - 31 December

Board of Directors

Per Lange, Kokkedal, Denmark – *Chairman*
Martin Fruergaard, Copenhagen, Denmark
Francisco Larrain, Santiago, Chile

Executive Board

Oskar Fabricius, Managing Director

Auditors

EY, Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
P.O. Box 250
DK-2000 Frederiksberg

Annual general meeting

The annual general meeting is to be held on 21 May 2021.

Principal activities

Ultranav Business Support has enhanced its capacity and capability of providing high quality support to the bulk and gas carrier operations in the areas of corporate finance, treasury, accounting, operations control, IT, laytime, business intelligence, communication and HR functions.

Accounting policies

General

The annual report of Ultranav Business Support ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

The accounting policies set out below have been used consistently in respect of the financial year and the comparative figures.

The annual report has been presented in DKK thousands (DKK '000), except when otherwise indicated.

Accounting policies are consistent with those of last year.

The company's business is primarily based on DKK. All income in the form of management fee and other service fees are in DKK. Based on this, the company has designated the DKK its functional and reporting currency.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Income

Income reflects management fees earned from companies within the Ultranav Group to which the company renders support services.

Administrative and Personnel expenses

Administrative expenses and personnel expenses comprise expenses incurred during the year for company management and administration, including expenses for administrative staff, management, office premises and office expenses, and depreciation.

Financial items

Financial items comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, as well as amortisation of financial assets and liabilities.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost, less provisions for impairment losses.

Equity – dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Ultranav Business Support ApS is jointly taxed with the ultimate parent company Ultranav Denmark ApS and the ultimate parent company is the administration company for the jointly taxed companies. The current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. Companies that use tax losses in other companies pay the joint tax contribution to the parent company at an amount corresponding to the tax value of the tax losses used. Companies whose tax losses are used by other companies receive joint tax contributions from the parent company corresponding to the tax value of the losses used (full absorption). The jointly taxed companies are taxed under the tax prepayment scheme.

Tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement. Tax attributable to entries directly in equity is recognised directly in equity.

Liabilities

Loans are recognised at the time the loans are obtained in the amount of the proceeds after deduction of transaction costs. In subsequent periods, the loans are recognised at amortised costs.

Other liabilities, including trade payables, payables to related parties as well as other payables, are measured at amortised cost, which corresponds to the net realizable value.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less that are readily convertible to cash and are subject to an insignificant risk of changes in value.

Income statement for the period 1 January to 31 December

DKK '000	Note	2020	2019
Income		29.179	29.691
Administrative expenses		-4.642	-4.009
Personnel expenses	1	-23.079	-24.103
Operating profit		**1.458**	**1.578**
Financial items, net	2	31	-179
Profit before tax		**1.489**	**1.399**
Tax on profit for the year	3	-241	-308
Profit for the year		**1.248**	**1.091**
Proposed profit appropriation			
Retained earnings		48	-9
Proposed dividend		1.200	1.100
		1.248	1.091

Balance sheet at 31 December

DKK '000	Note	2020	2019
Current assets			
Receivables from related parties		445	2,384
Other receivables		663	954
Cash at bank and in hand		7,853	5,121
Total current assets		**8,961**	**8,459**
TOTAL ASSETS		**8,961**	**8,459**
Equity			
Share capital	4	80	80
Retained earnings		1,296	1,148
Total equity		**1,376**	**1,228**
Current liabilities			
Trade payables		280	585
Payables from related parties		331	1,564
Other payables		6,646	4,563
Tax payable		328	519
Total liabilities		**7,585**	**7,231**
TOTAL EQUITY AND LIABILITIES		**8,961**	**8,459**
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Statement of changes in equity

DKK '000	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2020	**80**	**48**	**1,100**	**1,228**
Dividend paid			-1,100	-1,100
Transferred, see profit appropriation		48	1,200	1,248
Equity at 31 December 2020	**80**	**96**	**1,200**	**1,376**

DKK '000	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2019	**80**	**57**	**1,900**	**2,037**
Dividend paid			-1,900	-1,900
Transferred, see profit appropriation		-9	1,100	1,091
Equity at 31 December 2019	**80**	**48**	**1,100**	**1,228**

Notes to the financial statements

	DKK '000	2020	2019
1	**Personnel expenses**		
	Wages and salaries	19,868	20,237
	Pensions	1,622	1,620
	Other costs, including social security	1,589	2,247
		23,079	24,103
	Average number of full-time employees	31	32
2	**Financial items, net**		
	Financial expenses	-33	-27
	Foreign exchange gains / (loss)	63	-151
		31	-179
3	**Tax**		
	Current tax for the year	328	351
	Tax previous years	-87	-43
		241	308

4 Share capital

The share capital comprises 8,000 shares of DKK 10 each. All shares rank equally.

5 Related party disclosure

In accordance with section 98 c(7) of the Danish Financial Statements Act, the Company has not disclosed any related party transactions as they were conducted on an arm's length basis.

Ownership:

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:

Ultranav Denmark ApS, Smakkedalen 6, 2820 Gentofte, Denmark.
The consolidated financial statement of Ultranav Denmark ApS is available at the Company's address.

Notes to the financial statements

6 Disclosure of events after the balance sheet date

No events have occurred after the balance sheet date that materially affects the financial position of the Company.

7 Contingent liabilities

Joint taxation

The Company is in joint taxation with other Danish Companies in the Ultranav Denmark ApS Group. The joint taxation also covers withholding taxes in the form of dividend tax, royalty tax and interest tax. The Danish companies are jointly and individually liable for the joint taxation. The tax for the individual companies is allocated in full on the basis of the expected taxable income.

Contractual obligations is related to an office lease agreement entered into with a related party. The agreement comprises of DKK 375 thousands of which DKK 375 thousands are falling due within one year.