

Maestro Reefers A/S

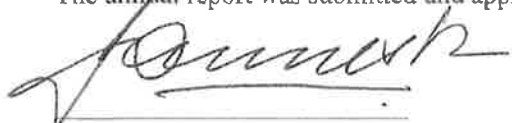
Hummeltoftevej 49, Parterre, 2830 Virum

Company reg. no. 26 06 96 37

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 3 June 2020.



Jørgen P. Dannesboe
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %

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Management's report

The board of directors and the managing director have today presented the annual report of Maestro Reefers A/S for the financial year 1 January to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

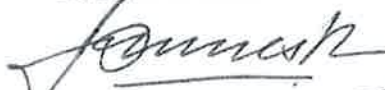
We recommend that the annual report be approved by the general meeting.

Virum, 10 March 2020

Managing Director

Carsten Ib Hansen

Board of directors


Jørgen Poulsen Dannesbøe


Robert R. A. Sjøqvist


Carsten Ib Hansen


Henrik Christensen

Independent auditor's report

To the shareholder of Maestro Reefers A/S

Opinion

We have audited the annual accounts of Maestro Reefers A/S for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 10 March 2020

Grant Thornton

State Authorized Public Accountants
Company reg. no. 34 20 99 36



Ulrik Bloch-Sørensen
State Authorised Public Accountant
mne2913

Company information

The company	Maestro Reefers A/S Hummeltoftevej 49, Parterre 2830 Virum Company reg. no. 26 06 96 37 Established: 5 June 2001 Domicile: Copenhagen Financial year: 1 January - 31 December
Board of directors	Jørgen Poulsen Dannesboe Robert R. A. Sjøqvist Carsten Ib Hansen Henrik Christensen
Managing Director	Carsten Ib Hansen
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø
Bankers	Danske Bank, Holmens Kanal 2, 1090 København K
Parent company	Maestro Shipping A/S

Management commentary

The principal activities of the company

In 2019, the company continued to act as a management company for the reefer section of Maestro Reefers Ltd.

Development in activities and financial matters

In 2019, the revenues amounted to 4,311 t.DKK (2018: 7,343 t.DKK) and the expenses employees and administration amounted to 3,881 t.DKK (2018: 6,988)

In 2019, the results after tax was a profit of 317 t.DKK (2018: profit of 258 t.DKK). Management consider the result satisfactory.

Total assets at the end of 2019 totaled 1,600 t.DKK (2018: 1,801 t.DKK)

Equity at the end of 2019 totaled 1,237 t.DKK against 921 t.DKK at the end of 2018.

Income statement 1 January - 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK in thousands.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Net turnover	4.311.416	7.343
Gross profit	4.311.416	7.343
Distribution costs	-51.780	-77
Administration costs	-3.828.697	-6.911
Operating profit	430.939	355
Other financial income	157	0
1 Other financial costs	-21.832	-22
Financing, net	-21.675	-22
Pre-tax net profit or loss	409.264	333
Tax on ordinary results	-92.754	-75
Net profit or loss for the year	316.510	258
Proposed appropriation of net profit:		
Dividend for the financial year	500.000	0
Transferred to retained earnings	0	258
Allocated from retained earnings	-183.490	0
Total allocations and transfers	316.510	258

Statement of financial position 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK in thousands.

Assets		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Non-current assets		
2 Other plants, operating assets, and fixtures and furniture	0	7
Total property, plant, and equipment	0	7
Other debtors	317.763	309
Total investments	317.763	309
Total non-current assets	317.763	316
Current assets		
Deferred tax assets	12.214	14
Other debtors	47.231	88
Accrued income and deferred expenses	153.051	157
Total receivables	212.496	259
Available funds	1.069.672	1.226
Total current assets	1.282.168	1.485
Total assets	1.599.931	1.801

Statement of financial position 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK in thousands.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity and liabilities		
Equity		
3 Contributed capital	500.000	500
4 Results brought forward	237.309	421
5 Proposed dividend for the financial year	500.000	0
Total equity	<u>1.237.309</u>	<u>921</u>
Liabilities other than provisions		
Other payables	60.955	0
Total long term liabilities other than provisions	<u>60.955</u>	<u>0</u>
Trade creditors	50.051	74
Debt to group enterprises	10.901	0
Income tax payable	90.178	72
Other debts	150.537	734
Total short term liabilities other than provisions	<u>301.667</u>	<u>880</u>
Total liabilities other than provisions	<u>362.622</u>	<u>880</u>
Total equity and liabilities	<u>1.599.931</u>	<u>1.801</u>

6 Staff matters

7 Contingencies

Notes

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK in thousands.

	<u>2019</u>	<u>2018</u>
1. Other financial costs		
Other financial costs	21.832	22
	<u>21.832</u>	<u>22</u>
2. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2019	330.887	346
Disposals for the year	-201.673	-15
Cost 31 December 2019	<u>129.214</u>	<u>331</u>
Depreciation and writedown 1 January 2019	-324.087	-326
Depreciations for the year	-6.800	-13
Reversal of depreciations of scrapped and sold assets	201.673	15
Depreciation and writedown 31 December 2019	<u>-129.214</u>	<u>-324</u>
Book value 31 December 2019	<u>0</u>	<u>7</u>
3. Contributed capital		
Contributed capital 1 January 2019	500.000	500
	<u>500.000</u>	<u>500</u>
No changes have been made in the contributed capital within the last five years.		
4. Results brought forward		
Results brought forward 1 January 2019	420.799	163
Profit and loss for the year brought forward	-183.490	258
	<u>237.309</u>	<u>421</u>
5. Proposed dividend for the financial year		
Dividend 1 January 2019	0	750
Dividend for the financial year	500.000	-750
	<u>500.000</u>	<u>0</u>

Notes

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK in thousands.

	<u>31/12 2019</u>	<u>31/12 2018</u>
6. Staff matters		
Salaries and wages	2.156.411	5.138
Other costs for social security	24.403	40
Other staff costs	<u>131.557</u>	<u>213</u>
	<u>2.312.371</u>	<u>5.391</u>
Average number of employees	<u>3</u>	<u>6</u>

7. Contingencies**Contingent liabilities**

The company's annual rent obligation amount to 635 t.DKK.

Joint taxation

Maestro Shipping A/S being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

Accounting policies

The annual report for Maestro Reefers A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Accounting policies

Derivatives

At their initial recognition, derivatives are recognised at cost in the statement of financial position. Hereafter, they are measured at fair value. Positive and negative fair values of derivatives are recognised under other receivables and payables, respectively.

Changes in the fair value of derivatives intended as hedging the fair value of a recognised asset or a recognised liability are recognised in the income statement together with any changes in the fair value of the hedged asset or hedged liability.

Changes in the fair value of derivatives classified as, and meeting the criteria for, hedging future cash flows are recognised under other receivables or other payables and in equity.

If the future transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or the liability, respectively. If the future transaction results in income or costs, amounts recognised in equity on a continuing basis are transferred to the income statement for the period in which the hedged item affected the income statement.

As regards any derivatives which do not meet the criteria for treatment as hedging instruments, changes in the fair value are recognised in the income statement on a continuing basis.

Changes in the fair value of derivatives used for hedging net investments in independent foreign group enterprises or associates are recognised directly in equity.

The profit and loss account

Revenue

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Distribution costs

The distribution costs comprise costs which have been incurred for distribution of goods sold during the year and for sales campaigns carried out during the year. Additionally, costs for sales staff, costs for advertising and exhibitions, and depreciation are recognised in the profit and loss account.

Administration costs

Administration costs comprise costs which have been incurred during the year for management and administration, including costs for the administrative staff, the executive board, offices, stationery and office supplies, and depreciation.

Accounting policies

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life :

Other plants, operating assets, fixtures and furniture	3 years
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Accounting policies

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity. Proposed dividend is recognised as a liability at the time of approval by the annual general meeting (time of declaration).

Accounting policies

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Maestro Reefers A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carryover, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.