

Lauritzen Reefers A/S

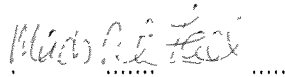
Tuborg Havnevej 15, 2900 Hellerup

CVR no. 28 11 86 00

Annual report 2017

Approved at the Company's annual general meeting on 16 April 2018

Chairman



Mads Peter Zacho





Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 January - 31 December	7
Income statement	7
Balance sheet	8
Notes to the financial statements	10

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Lauritzen Reefers A/S for the financial year 1 January - 31 December 2017

The annual report is 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 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 16 April 2018
Executive Board:



Mads Peter Zacho

Board of Directors



Erik Bierre
Chairman

Dorte Rolff
Vice chairman


Mads Peter Zacho



Independent auditor's report

To the shareholder of Lauritzen Reefers A/S

Opinion

We have audited the financial statements of Lauritzen Reefers A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet and notes, including accounting policies. 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 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

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 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 the 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the 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.

Independent auditor's report

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 Statement Act. We did not identify any material misstatement of the Management's review

Copenhagen, 16 April 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Torben Bender
State Authorised Public Accountant
MNE no.: mne21332



Management's review

Company details

Name	Lauritzen Reefers A/S
Address, Postal code, City	c/o J. Lauritzen A/S Tuborg Havnevej 15, 2900 Hellerup
CVR no.	28 11 86 00
Registered office	Copenhagen
Financial year	1 January - 31 December
Telephone	+45 33 96 80 00
Telefax	+45 33 96 80 01
Board of Directors	Erik Bierre, Chairman Dorte Rolff, Vice chairman Mads Peter Zacho
Executive Board	Mads Peter Zacho
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuhs Vej 4, P. O. Box 250, 2000 Frederiksberg, Denmark



Management's review

Business review

The Company has no activities

Financial review

The income statement for 2017 shows a profit of USD 6 thousand against a loss of USD 96 thousand last year, and the balance sheet at 31 December 2017 shows equity of USD 17,878 thousand

Events after the balance sheet date

No events have occurred after the balance sheet date that materially affect the Company's future financial position



Financial statements 1 January - 31 December

Income statement

Note	USD'000	2017	2016
	Other external expenses	-2	-2
	Gross margin	-2	-2
	Financial income	5	0
	Financial expenses	0	-5
	Profit/loss before tax	3	-7
2	Tax for the year	3	-89
	Profit/loss for the year	6	-96
	Recommended appropriation of profit/loss	6	-96
	Retained earnings/accumulated loss	6	-96



Financial statements 1 January - 31 December

Balance sheet

Note	USD'000	<u>2017</u>	<u>2016</u>
	ASSETS		
	Non-fixed assets		
	Receivables		
	Receivables from group entities	17,905	17,859
	Income taxes receivable	0	40
		<u>17,905</u>	<u>17,899</u>
	Total non-fixed assets	<u>17,905</u>	<u>17,899</u>
	TOTAL ASSETS	<u><u>17,905</u></u>	<u><u>17,899</u></u>



Financial statements 1 January - 31 December

Balance sheet

Note	USD'000	<u>2017</u>	<u>2016</u>
	EQUITY AND LIABILITIES		
	Equity		
3	Share capital	12,964	12,964
	Retained earnings	4,914	4,908
	Total equity	<u>17,878</u>	<u>17,872</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Other payables	<u>27</u>	<u>27</u>
		<u>27</u>	<u>27</u>
	Total liabilities other than provisions	<u>27</u>	<u>27</u>
	TOTAL EQUITY AND LIABILITIES	<u>17,905</u>	<u>17,899</u>

- 1 Accounting policies
- 4 Contractual obligations and contingencies, etc
- 5 Collateral
- 6 Related parties

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Lauritzen Reefers A/S for 2017 has been presented in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

The accounting policies applied by the Company are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of *financial assets and liabilities*. All costs, including depreciation, amortisation and impairment losses, are also recognised in the income statement.

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

Liabilities are recognised in the balance sheet when an outflow of economic benefits is *probable and when the liability can be reliably measured*.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Reporting currency

The financial statements are presented in USD as the Company's most significant transactions are settled in USD. At the balance sheet date, the DKK/USD exchange rate was 620,77.

Income statement

Other external expenses

Other external costs comprise administration etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, charges in respect of finance leases, realised and unrealised gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax

Tax for the year comprises income tax on shipping activities calculated in accordance with the provisions of the Danish Tonnage Tax Act, income tax on other activities calculated in accordance with ordinary tax rules and adjustments of deferred tax. Income tax is recognised in the income statement except for the tax expense relating to amounts directly recognised in equity, which, accordingly, are recognised in equity.

Lauritzen Reefers A/S is jointly taxed with the other Danish subsidiaries of the Lauritzen Foundation.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Receivables

Receivables are measured at amortised cost, which is in general equal to the nominal value. Write-down is made of the value for anticipated bad debt losses.

Income taxes

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account

Deferred tax is measured on temporary differences between the carrying amount and the tax value of assets and liabilities

Deferred tax assets, including the tax base of tax loss carryforwards, are measured at the expected value of their realisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. A tax rate of 22% was used for the current year.

Liabilities

Liabilities are measured at amortised cost, corresponding to the nominal value

USD'000	2017	2016
2 Tax for the year		
Tax adjustments, prior years	-3	89
	-3	89

3 Share capital

The authorized and issued share capital consist of shares of DKK 1,000 or multiples of this

The share capital has not been changed within the last five years

4 Contractual obligations and contingencies, etc

Contingent liabilities

Other contingent liabilities

The Company is jointly taxed with the Danish subsidiaries of the Lauritzen Foundation. Together with the other companies included in the joint taxation, the Company has joint and several unlimited liability for Danish withholding taxes on dividends, interest and royalties.

The Company has no other contingent assets or contingent liabilities.



Financial statements 1 January - 31 December

Notes to the financial statements

5 Collateral

The Company has not placed any assets or other as security for loans at 31 December 2017

6 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Lauritzen Fonden	Tranegårdsvej 20, 2900 Hellerup	http //datacvr virk dk/data
J Lauritzen A/S	Tuborg Havnevej 15, 2900 Hellerup	http://datacvr virk dk/data