



"K" Line (Scandinavia) Holding A/S under frivillig likvidation

Snorresgade 18-20
2300 Copenhagen S
CVR No. 29192979

**Annual report 01.04.2019 -
31.03.2020**

The Annual General Meeting adopted the
annual report on 30.06.2020

John Hemming
Chairman of the General Meeting

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Entity details

Entity

"K" Line (Scandinavia) Holding A/S under frivillig likvidation

Snorresgade 18-20

2300 Copenhagen S

CVR No.: 29192979

Registered office: Copenhagen

Financial year: 01.04.2019 - 31.03.2020

Liquidator

Ulrik Kamstrup Jespersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Liquidator has today considered and approved the annual report of "K" Line (Scandinavia) Holding A/S under frivillig likvidation for the financial year 01.04.2019 - 31.03.2020.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.03.2020 and of the results of its operations for the financial year 01.04.2019 - 31.03.2020.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 30.06.2020

Liquidator



Ulrik Kamstrup Jespersen

Independent auditor's report

To the shareholder of "K" Line (Scandinavia) Holding A/S under frivillig likvidation

Opinion

We have audited the financial statements of "K" Line (Scandinavia) Holding A/S under frivillig likvidation for the financial year 01.04.2019 - 31.03.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.03.2020 and of the results of its operations for the financial year 01.04.2019 - 31.03.2020 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 30.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

A handwritten signature in black ink, appearing to read 'Anders Kreiner', with a large, stylized flourish at the end.

Anders Kreiner

State Authorised Public Accountant

Identification No (MNE) mne26765

Management commentary

Primary activities

The Company's activities were closed down in the summer of 2018, and the Company has now entered into liquidation.

Development in activities and finances

The activities have developed as anticipated. Given that the Company is closing down, the loss of DKK 235 thousand meets expectations.

Outlook

The final liquidation of the Company is expected to take place no later than 31.12.2020.

Events after the balance sheet date

The outbreak and the spread of the coronavirus disease (COVID-19) that have occurred and been recorded between the balance sheet date and the date of presentation of these financial statements do not influence the evaluation of the annual report for 2019/20 as no events are affected by COVID-19, which will have an effect on these financial statements.

At the time of presentation of these financial statements, it is not possible reliably to estimate the total effect, which the outbreak and spread of COVID-19 may have on the Company and its performance for 2020/21.

No other events have occurred or been recorded between the balance sheet date and the date of presentation of these financial statements, which would influence the evaluation of this annual report.

Income statement for 2019/20

	Notes	2019/20 DKK'000	2018/19 DKK '000
Revenue		0	3,740
Cost of sales		0	(3,239)
Other external expenses		(190)	(605)
Gross profit/loss		(190)	(104)
Staff costs	1	0	(2,347)
Depreciation, amortisation and impairment losses	2	0	119
Operating profit/loss		(190)	(2,332)
Income from investments in group enterprises		(49)	(1,198)
Other financial income	3	4	33
Profit/loss before tax		(235)	(3,497)
Tax on profit/loss for the year	4	0	(33)
Profit/loss for the year		(235)	(3,530)
Proposed distribution of profit and loss:			
Transferred to reserve for net revaluation acc. to the equity method		(462)	(1,198)
Retained earnings		227	(2,332)
Proposed distribution of profit and loss		(235)	(3,530)

Balance sheet at 31.03.2020

Assets

	Notes	2019/20 DKK'000	2018/19 DKK'000
Investments in group enterprises		5,344	6,265
Other financial assets	5	5,344	6,265
Fixed assets		5,344	6,265
Other receivables		0	6
Receivables		0	6
Cash		1,919	1,525
Current assets		1,919	1,531
Assets		7,263	7,796

Equity and liabilities

	Notes	2019/20 DKK'000	2018/19 DKK'000
Contributed capital		1,000	1,000
Reserve for net revaluation according to the equity method		5,264	6,091
Retained earnings		901	674
Equity		7,165	7,765
Trade payables		68	0
Other payables		30	31
Current liabilities other than provisions		98	31
Liabilities other than provisions		98	31
Equity and liabilities		7,263	7,796

Related parties with controlling interest

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Statement of changes in equity for 2019/20

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,000	6,091	674	7,765
Exchange rate adjustments	0	(365)	0	(365)
Profit/loss for the year	0	(462)	227	(235)
Equity end of year	1,000	5,264	901	7,165

Notes

1 Staff costs

	2019/20	2018/19
	DKK'000	DKK'000
Wages and salaries	0	2,274
Pension costs	0	46
Other social security costs	0	27
	0	2,347
Average number of full-time employees	0	1

2 Depreciation, amortisation and impairment losses

	2019/20	2018/19
	DKK'000	DKK'000
Depreciation of property, plant and equipment	0	4
Profit/loss from sale of intangible assets and property, plant and equipment	0	(123)
	0	(119)

3 Other financial income

	2019/20	2018/19
	DKK'000	DKK'000
Other financial income	4	33
	4	33

4 Tax on profit/loss for the year

	2019/20	2018/19
	DKK'000	DKK'000
Change in deferred tax	0	33
	0	33

5 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	174
Disposals on divestments etc	(94)
Cost end of year	80
Revaluations beginning of year	6,091
Exchange rate adjustments	(365)
Share of profit/loss for the year	(49)
Other adjustments	(413)
Revaluations end of year	5,264
Carrying amount end of year	5,344

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity DKK'000	Profit/loss DKK'000
"K" Line (Sweden) AB	Sweden	AB	100	5,344	49

6 Related parties with controlling interest

Kawasaki Kisen Kaisha Ltd., Iino Building, 1-1, Uchisaiwaicho 2-Chome Chiyoda-ku, Tokyo 100-8540, Japan, shareholder

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Revenue

Revenue is recognised in the income statement if delivery to the Entity's cooperators has taken place before year-end and if the income can be computed reliably and receipt is expected. Revenue is recognised net of VAT, duties and sales discounts.

Cost of sales

Costs relating to revenue are accrued according to the method of revenue recognition. Other costs relating to the financial year in terms of time are charged to the income statement.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises

The Company's share of the subsidiaries' profits or losses after elimination of unrealised intra-group profits and losses and plus or minus amortisation of positive, or negative, goodwill is recognised in the income statement.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Investments in group enterprises

Investments in subsidiaries are recognised in the balance sheet at the pro rata share of the enterprises' equity in accordance with the Parent's accounting policies plus or minus unrealised intra-group profits and losses and plus or minus the residual value of positive, or negative, goodwill calculated according to the purchase method.

Subsidiaries with negative equity are measured at zero value, and any receivable from these enterprises is written down by the Parent's share of such negative equity. If the negative equity exceeds the amounts receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Net revaluation of investments in subsidiaries is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost less amortisation of goodwill.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value. Provisions for bad and doubtful debts are made at net realisable value.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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