Team Tankers Management A/S

Strandvejen 58
DK-2900 Hellerup

CVR no. # 29 68 75 95

Annual report 2016

Approved at the Company's annual general meeting on June 9 2017

Chairman:

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Hans P. Peringa

Contents

Management's review

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Team Tankers Management A/S for the financial year 1 January - 31 December 2016.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of its operations for the financial year 1 January - 31 December 2016.

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 its operations and financial position.

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

June 9, 2017

Executive Board::

Malene Hald Pedersen

Board of Directors:

Hans P. Feringa
Chairman

Morten Arntzen

Kevin M. Kilcullen

Independent auditor's report

To the shareholders of Team Tankers Management A/S

Opinion

We have audited the financial statements of Team Tankers Management A/S for the financial year 1 January - 31 December 2016, which comprise an 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 financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 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 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. 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 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 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 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 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 Company's internal control. Independent auditor's report
- 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 conclusion is 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 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 our procedures, 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, June 9, 2017

ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter Andersen
State Authorised
Public Accountant

Management's review

Financial highlights

In USD millions, except for per share data	2016	2015	2014	2013	2012
Key figures					
Revenue	12.081	15.867	19.604	18.559	15.178
Ordinary operating profit/loss	4.292	7.010	7.537	6.947	5.719
Profit/loss from financial income and expenses	-1.577	-1.172	-1.831	2	-7.156
Profit for the year	1.742	27.308	269	-4.127	-8.179
Non-current assets	1.663	1.003	3.362	11.941	17.171
Current assets	6.675	7.373	20.538	7.319	5.098
Total assets	8.338	8.376	23.899	19.260	22.269
Equity	3.844	5.586	5.224	4.955	9.082
Non-current liabilities	0	0	9.558	9.911	9.225
Current liabilities	4.495	2.751	9.117	4.395	3.963
Financial ratios					
Profit margin (%)	-14	172	1	-22	-54
Current ratio (%)	2	3	2	2	1
Equity ratio (%)	46	67	22	26	41
Return on equity (%)	-37	505	5	-59	-62
Average number of full-time employees	36	39	40	38	39

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios, "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

Management's review

Management commentary

Business review

Team Tankers Management A/S (the "Company") is primarily a management company with no direct or indirect ownership of ships. The Company is a wholly owned subsidiary of Team Tankers Management AS registered in Norway. The Company's most important activity is to provide chemical tanker commercial management services to Team Tankers International Group. During the fiscal year, the company had one chemical tanker on bareboat agreement. The bareboat agreement will be terminated effective January 1, 2017.

Financial review

Net loss in 2016 is USD1.7 million compared to a net income of USD27.3 million in 2015 (USD27.9 million relates to a reversal of a previously impaired loan to the parent company). Equity on the Balance Sheet at 31 December 2016 is USD3.8 million. In 2017, the company's earnings are expected to be higher than 2016 as the overall shipping market is expected to improve.

Team Tankers Shipping (Singapore) Pte. Ltd., a subsidiary of the Company was closed/stricken off in November, 2016. Shares in DK Skibskredit were sold in November, 2016.

Management expects, based on the financial position, budget and strategic plans, that the company's capital resources are appropriate for the continued operation of the company.

Special risks

Business risks

The Company's earnings are dependent on developments in the general freight market.

Financial risks

Currency risks

The Company's earnings and balance sheet items are mainly in USD. Some of the earnings are in EUR and most of the company's administrative costs are in DKK. The Company's result is therefore dependent on the development in the price between EUR and USD, as well as developments between DKK and USD.

Knowledge resources

The company's business consists of providing management services for chemical tanker owners. In connection with the company's operation, the company places special demands on knowledge resources, including general knowledge of shipping, special conditions that characterize chemical tankers, including chartering, operations, technology, processes and legal.

Environmental aspects

The company's activities on land do not pollute the external environment. The company's maritime business is carried out according to the national and international conventions and rules under which the company is subject. Team Tankers International closely follows developments in all environmental regulations and will continue to comply with and / or exceed all legislation and follow best practice to minimize the company's impact on the environment.

Events after the balance sheet date

There are no additional events, other than those disclosed above which has occurred after the financial year, which could significantly affect the assessment of the company's financial position.

Financial statements 1 January - 31 December

Income statement

Note	USD'000	2016	2015
	Revenue	12.081	15.867
	Direct costs	(4.512)	(5.972)
	Other external expenses	(3.277)	(2.885)
	Gross profit	4.292	7.010
3	Staff costs	(5.725)	(7.311)
	Other operating expenses	-	(741)
	Depreciation	(144)	(130)
	Operating profit/loss	(1.577)	(1.172)
4	Financial income	46	30.085
5	Financial expenses	(211)	(1.249)
	Profit/loss before tax	(1.742)	27.664
6	Tax for the year	-	(356)
	Profit/loss for the year	(1.742)	27.308

Financial statements 1 January - 31 December

Balance sheet

Note	USD'000	2016	2015
	ASSETS		
	Non-current assets		
7	**Intangible assets**		
	Development projects in progress	696	140
		696	140
8	**Property, plant and equipment**		
	Vessel and office equipment	967	81
		967	81
9	**Financial assets**		
	Investments in group entities	-	-
	Investment in securities	-	782
		-	782
	Total non-current assets	1.663	1.003
	Current assets		
	Inventories	82	113
10	Trade receivables	763	532
	Other receivables	301	612
	Receivables from group entities	1.842	2.782
11	Prepayments	145	331
		3.133	4.370
	Cash	3.542	3.003
	Total current assets	6.675	7.373
	TOTAL ASSETS	8.338	8.376
	EQUITY AND LIABILITIES		
	Equity		
13	Share capital	60	60
	Profit and loss account	3.784	5.526
	Total equity	3.844	5.586
	Current liabilities		
	Prepayments received from customers	2	6
	Trade payables	1.450	1.892
	Other payables	720	853
	Payables to group entities	2.322	39
	Total current liabilities	4.494	2.790
	Total liabilities	4.494	2.790
	TOTAL EQUITY AND LIABILITIES	8.338	8.376

Financial statements 1 January - 31 December

Statement of changes in equity

Note	USD'000	Share capital	Reserve for development costs	Profit and loss account	Dividend proposed for the year	Total
	Equity at 1 January 2015	60	-	5.165	-	5.225
	Dividend distribution	-	-	-	(26.946)	(26.946)
	Transfer, see "Appropriation of profit/loss"	-	-	361	26.946	27.307
	Equity at 1 January 2016	60	-	5.526	-	5.586
	Dividend distribution	-	-	-	-	-
	Transfer, see "Appropriation of profit/loss"	-	556	(2.298)	-	(1.742)
	Equity at 31 December 2016	60	556	3.228	-	3.844

Financial statements 1 January – 31 December

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1 **Basis of Presentation**

The annual report of Team Tankers Management A/S has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Team Tankers International Ltd.

Effective 1 January 2016, the Company has adopted act no. 738 of 1 June 2015. This implies changes in the recognition and measurement in the following areas:

1. Yearly reassessment of residual values of property, plant and equipment
2. Reserve for development costs

Re 1: In future, residual values of property, plant and equipment are subject to annual reassessment. The Company has no significant residual values relating to property, plant and equipment other than those relating to the Company's land. Consequently, the change is made in accordance with section 4 of the executive order on transitional provisions1 with future effect only as a change in accounting estimates with no impact on equity.

Re 2: An amount corresponding to development costs recognised are in future tied up in a special reserve under equity called "Reserve for development costs". The amount is tied up in a special reserve, which cannot be used to distribute dividend or cover losses. If the development costs recognised are sold or in some other way no longer form part of the Company's operations, the reserve will be dissolved or reduced by a transfer directly to distributable reserves under equity. If the recognised development costs are written down, part of the reserve for development costs must be reversed. The reversed portion corresponds to the write-down of the development costs. If a write-down of the development costs is subsequently reversed, the reserve for development costs must be re-established. The reserve for development costs is also reduced by amortisation charges. In doing so, the equity reserve will not exceed the amount recognised in the balance sheet as development costs.

None of the above changes affects the income statement or the balance sheet for 2016 or the comparative figures.

In addition, the Company has decided to present its balance sheet in horizontal format where non-current and current assets and liabilities are broken down and comparative figures for 2015 are restated.

Apart from the above changes as well as new and changed presentation and disclosure requirements, which follow from act no. 738 of 1 June 2015, the accounting policies are consistent with those of last year.

Financial statements 1 January - 31 December

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2 **Accounting policies**

Foreign currencies

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

Derivative financial instruments

The Company does not have any financial instruments that qualify as hedges or derivatives as of 31 December 2016 or 2015.

Income Statement

Revenue

Revenues include management fee revenues and revenues from voyage and time charters.

Management fee revenues are recognised in revenue on a straight-line basis as the services are rendered.

Voyage revenue and voyage expenses are recognized on a percentage of completion basis. When spot traded, the vessels are traded at the prevailing market rates at the time a voyage is fixed and all voyage costs are borne by the Company. Voyage revenues are affected by hire rates and the number of days a vessel operates. The Company uses a discharge-to-discharge principle in determining the percentage of completion for all spot voyages and voyages under contracts of affreightment (CoAs). Under this method voyage revenue is recognized evenly over the period from the departure of a vessel from its original discharge port to departure from the next discharge port. For vessels without signed contracts in place at discharge no revenue is recognized before a new contract is signed. Voyage expenses incurred for vessels in the idle time are expensed.

Revenues from time charters (T/C) and bareboat charters (BB) accounted for as operating leases are recognized over the rental periods of such charters, as service is performed. Time charter revenue is fixed based on a contractual rate of hire. Voyage expenses related to time charters are expenses of the charterer.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties.

Direct costs

Direct costs associated with the operation of a vessel including crew costs, vessel supplies, repairs and maintenance, lubricating oils and insurance.

Financial statements 1 January – 31 December

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2 Accounting policies (continued)

Foreign currency translation

The Company's presentation currency is United States Dollars ("USD"). On initial recognition, transactions denominated in foreign currencies other than USD are translated at the exchange rates prevailing at the date of transaction. Foreign exchange differences arising between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or financial expenses.

Other external expenses

Other external expenses comprise expenses paid in the year to manage and administer the Company, including expenses related to sales, administration, , office premises, and office expenses.

Other operating expenses

Other operating expenses comprise items secondary to the Company's activities, including losses on disposal of intangible assets and items of property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, 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 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

Development projects in progress

Development projects in progress comprise of external costs and charges directly attributable to the Company's development activities. Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5 years.

Financial statements 1 January – 31 December

Notes

2 Accounting policies (continued)

Vessel dry dock

The Company time charters in vessels. These leases are classified as operating leases and payments are included in voyage expenses in the Income Statement. Capitalized costs incurred at drydock are amortized on a straightline basis from the completion of the drydock to the estimated date of completion for the next drydocking or until the end of the lease tem, whichever is shorter. Routine repairs and maintenance costs incurred during drydock that do not improve or extend the useful life of the vessel are expensed. The residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year-end.

Office Equipment

Office equipment is measured at cost less accumulated depreciation. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

Other securities and investments

Securities and investments are measured at fair value at the balance sheet date.

Impairment of non-financial assets

At each reporting date the Company assesses whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. Assets are written down to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the net present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories consist of bunker fuel, lubricating oils, stores and other supplies. Inventories are valued at the lower of cost and net realizable value. Cost is determined as a first-in, first-out (FIFO) basis.

Financial statements 1 January – 31 December

Notes

2 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the net present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments consist of costs paid for future periods and is mainly comprised of vessel insurance premiums.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or if they are no more part of the Company's operations by a transfer directly to distributable reserves under equity.

Financial statements 1 January - 31 December

Notes

2 Accounting policies (continued)

Income tax and deferred tax

Current tax payable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on prior-year taxable income and tax paid on accounts

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes or on office premises and other items where temporary differences arise at the date of acquisition without affecting neither the profit/loss for the year nor the taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised at the expected value of their utilisation; 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 and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Financial statements 1 January - 31 December

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Profit margin	Net revenue divided by Revenue
Current ratio	Current assets divided by current liabilities
Equity ratio	Total liabilities divided by total equity
Return on equity	Net Profit divided by average equity

Financial statements 1 January - 31 December

Notes

USD'000	2016	2015
3 Staff costs		
Wages and salaries	4.849	6,063
Pensions	397	440
Other social security costs	38	44
Other staff costs	441	764
	5.725	7.311
Average number of fulltime employees	36	39

Renumeration to the company's management is not disclosed for the financial year 2016 with reference to ÅRL section 98b. PCS. 3, No. 2.

Total renumeration to the Executive Board for 2015 amounts to USD1.2 million.

USD'000	2016	2015
4 Financial income		
Income from non-current securities and other investments	-	212
Interest income, related party	-	1.718
Reversal of writedown of loan	-	27.948
Other financial income	46	207
	46	30.085

USD'000	2016	2015
5 Financial expenses		
Interest expenses, related party	-	226
Foreign exchange losses	147	95
Expenses from non-current securities and other investments	-	852
Other financial expenses	64	76
	211	1.249

Financial statements 1 January - 31 December

Notes

6 Tax for the year

The company has USD882 thousand in deferred tax asset, mainly relationg to tax loss carryforward, however, there are uncertainties regarding the ulitation of the deferred tax assets in the foreseeable future and the company have therefore not recognised a deferred tax assets in the balance sheet.

USD'000	2016	2015
Current tax for the year	-	-
Adjustment of the deferred tax charge for the year	-	-
Prior-year adjustments	-	356
	-	356

7 Intangible assets

	Development projects in progress
Cost at 1 January 2016	140
Additions	556
Cost at 31 December 2016	696
Amortisation and impairment losses at 1 January 2016	-
Amortisation 2016	-
Amortisation and impairment losses at 31 December 2016	-
Carrying amount at 31 December 2016	696

Development projects in progress

Development projects in progress include development of software. The related expenses primarily consist of external expenses in the form of consulting costs and expense which are capitalized and recorded on the Company's balance sheet. The carrying amount totalled USD696 thousand at 31 December 2016. The development of the software is expected to be complete in 2017 after which time the Company will place the project into service. Management does not expect additional amounts on completing the system.

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Notes

8 Property, plant and equipment

USD'000	Office Equipment	Vessel equipment	Total
Cost at 1 January 2016	717	-	717
Additions	19	1.011	1.011
Transferred	-	-	-
Disposals	-		-
Cost at 31 December 2016	736	1.011	1.747
Depreciation and impairment losses at 1 January 2016	(636)	-	(636)
Impairment losses	-	-	-
Amortisation	(30)	(114)	(144)
Disposals	-	-	-
Depreciation and impairment losses at 31 December 2016	(666)	(114)	(780)
Carrying amount at 31 December 2016	70	897	967
Amortised over	5 years	5 years	

9 Financial assets

USD'000	Investments in group entities
Cost at 1 January	32.732
Sale of subsidiary	(32.732)
Cost at 31 December	-
Adjustments 1 January	(32.732)
Impairment of shares	-
Sale of subsidiary	32.732
Adjustments 31 December	-

Financial statements 1 January - 31 December

Notes

Carrying amount at 31 December -

USD'000

Subsidiary	Registered office		Ownership %	Equity	Results
Team Tankers Shipping (Singapore) Pte. Ltd	Singapore	100%	-364.780	-2.539	

Team Tankers Shipping (Singapore) Pte. Ltd., a subsidiary of the Company was closed/stricken off in November, 2016.

USD'000	Other securities and investments
Cost at 1 January 2016	212
Additions	-
Disposals	(212)
Cost at 31 December 2016	-
Value adjustments at 1 January 2016	570
Value adjustments in the year	(570)
Value adjustments at 31 December 2016	-
Carrying amount at 31 December 2016	-
Fair value	-

Shares in DK Skibskredit were sold in November, 2016.

Financial statements 1 January - 31 December

Notes

10 Trade Receivables

There are no trade receivables falling due for payment more than one year after the financial year-end in 2016 and 2015.

USD'000	2016	2015
11 Prepayments		
Prepaid insurance premiums	29	58
Other prepaid expenses	116	273
	145	331

12 Contractual obligations

The Company is contractually obligated to pay office rent through the end of the lease term 30 June 2017. The remaining lease obligation as of 31 December 2016 is USD205 thousand.

Car lease obligations are USD47 thousand and USD7 thousand for 2017 and 2018, respectively.

13 Share capital

The share capital USD59.457 comprises 500 shares of DKK 1.000 nominal value each. All shares rank equally. The share capital has remained unchanged for the last 5 years.

Financial statements 1 January - 31 December

Notes

14 Related parties transactions

Parties exercising control

Related party	Domicile	Basis for control
Team Tankers Management AS	Norway	Parent company

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Team Tankers International Ltd.	Bermuda	www.teamtankers.com

In addition to what appears elsewhere in the accounts, the following significant transactions exist with other companies in the Team Tankers International Group.

USD'000	2016	2015
Income		
Sales commissions	2.519	2.367
Administrative fees, etc	6.352	6.423
Total Income	**8.871**	**8.790**
Expenses		
T/C Hire	1.830	2.520
Commission expenses	-	-
Consulting fees	-	10
Administrative fees, etc	-	59
Total Expenses	**1.830**	**2.589**

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Notes

DKK'000

15 **Appropriation of profit/loss**

	2016	2015
Recommended appropriation of profit/loss		
Dividend proposed for the year	-	26.946
Transferred to reserves under equity	-1.742	362
	-1742	27.308

16 **Events after the balance sheet date**

The bareboat agreement for the vessel Sichem Singapore was terminated effective January 1, 2017.