CLIPPER GROUP A/S

Central Business Registration No 29 89 18 18 Annual Report 2016

The Annual General Meeting adopted the annual report on May 30, 2017
Chairman of the Annual General Meeting.

Thomas Martinussen
Attorney at Law

CLIPPER GROUP A/S Clipper House | Sundkrogsgade 19 | 2100 Copenhagen, Denmark

COMPANY

Clipper Group A/S
Clipper House
Sundkrogsgade 19
2100 Copenhagen, Denmark

Central Business Registration No: 29 89 18 18
Registered in: City of Copenhagen

Phone: +45 49 11 80 00
www.clipper-group.com

EXECUTIVE MANAGEMENT

Peter Norborg, Group CEO, Clipper Group (born 1966)
Flemming Lorents Steen, Group CFO, Clipper Group (born 1966)

BOARD OF DIRECTORS

Peter Hald Appel, Chairman (born 1961)
Managing Partner, Gorrissen Federspiel. Member of the Board since 2013
Other board assignments include:
BIMCO Informatique A/S
European Maritime Law Association

Frank Gülnar Jensen, Vice-Chairman (born 1966)
Partner, Clipper Group. Member of the Board since 2000
Other board assignments include:
Greystone Capital A/S

Torben Gülnar Jensen (born 1942)
Founder & Partner, Clipper Group. Member of the Board since 1985

Mikael Øpstun Skov (born 1963)
CEO, Hafnia Tankers. Member of the Board since 2014
Other board assignments include:
Hafnia Management A/S
Danish Shipowners' Association
Danish Maritime Strategy Team

AUDITORS

Deloitte Statsautoriseret Revisionspartnerselskab

CONTENTS

Flemming Steen and Peter Norborg

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Board of Directors and the Executive Management have today considered and approved the annual report of Clipper Group A/S for the financial year January 1 to December 31, 2016.

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

In our opinion, the consolidated financial statements and the Parent financial statements give a true and fair view of the Group's and the Parent's financial position at December 31, 2016 and of their results and the consolidated cash flows for the financial year January 1 to December 31, 2016.

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

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

Copenhagen, May 30, 2017

Executive Management

Peter Norborg
Group CEO

Flemming Lorents Steen
Group CFO

Board of Directors

Peter Hald Appel
Chairman

Frank Gülnar Jensen
Vice-Chairman

Torben Gülnar Jensen

Mikael Øpstun Skov

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Clipper Group A/S

Opinion

We have audited the consolidated financial statements and the Parent financial statements of Clipper Group A/S for the financial year January 1 to December 31, 2016, which comprise the statements of profit and loss, financial position and changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement for the Group. The consolidated financial statements and the Parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the Parent financial statements give a true and fair view of the Group's and the Parent's financial position at December 31, 2016, and of the results of their operations and the consolidated cash flows for the Group for the financial year January 1 to December 31, 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 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 consolidated financial statements and the Parent financial statements section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the Parent financial statements

Management is responsible for the preparation of consolidated financial statements and Parent 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 consolidated financial statements and Parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the Parent financial statements, Management is responsible for assessing the Group's and the Parent'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 consolidated financial statements and the Parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the Parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the Parent 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 consolidated financial statements and Parent 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 consolidated financial statements and the Parent 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 Group's and the Parent'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 consolidated financial statements and the Parent 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 Group's and the Parent'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 consolidated financial statements and the Parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the Parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the Parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements and the Parent 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 consolidated financial statements and the Parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the Parent 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 consolidated financial statements and the Parent 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, May 30, 2017

Deloitte
Statsautoriseret Revisionspartnerselskab
Central Business Registration No. 33 96 35 56

Kim Takata Mücke
State Authorized Public Accountant

Bjarne Iver Jørgensen
State Authorized Public Accountant

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

	2016	2015	2014	2013	2012
	USD'000	USD'000	USD'000	USD'000	USD'000
Key figures					
Revenue	220,965	207,243	268,544	302,973	308,519
Operating profit/(loss) before depreciation etc.	85,535	79,330	95,764	90,408	71,862
Impairment loss	-	(198)	(4,204)	(8,461)	(22,976)
Operating profit/(loss)	9,937	6,338	988	(11,843)	(52,720)
Net financials and gain/(loss) from other financial assets	(25,672)	3,256	(77)	(12,224)	(6,122)
Profit/(loss) for the year	(12,919)	13,332	3,173	(21,297)	(71,797)
Investments in property, plant and equipment	4,308	8,492	5,504	6,979	45,190
Receivables	124,788	94,600	66,702	51,859	68,233
Interest-bearing debt	139,296	167,916	208,111	283,253	324,023
Equity	161,011	172,115	170,775	189,611	201,182
Assets, total	357,195	402,424	444,766	537,582	593,367
Ratios					
Profit margin (%)	4.5	3.1	0.4	(3.9)	(17.1)
Return on assets (%)	2.8	1.6	0.2	(2.2)	(8.9)
Return on equity (%)	(7.8)	7.8	1.8	(10.9)	(34.0)
Equity ratio (%)	45.1	42.8	38.4	35.3	33.9

Ratios

The ratios have been compiled applying the formulas listed below:

$$\text{Profit margin} = \frac{\text{Operating profit/(loss) x 100}}{\text{Revenue}}$$

$$\text{Return on assets} = \frac{\text{Operating profit/(loss) x 100}}{\text{Assets, total}}$$

$$\text{Return on equity} = \frac{\text{Profit/(loss) for the year x 100}}{\text{Average equity}}$$

$$\text{Equity ratio} = \frac{\text{Equity x100}}{\text{Assets, total}}$$

MANAGEMENT COMMENTARY

CLIPPER GROUP A/S

Clipper Group A/S is a Danish subsidiary of Clipper Group Ltd.

The primary activities of Clipper Group A/S are ferry services in Denmark (Danske Færger), ro-ro ferry services on the Irish Sea (Seatruck Ferries), commercial and technical management as well as administrative services for other companies in the Clipper Group Ltd. Clipper Group A/S (referred to as the "group") is a fully owned subsidiary of Clipper Group Ltd.

Clipper Group Ltd. is incorporated in the Bahamas but with main business address and headquarter in Denmark and subject to full Danish taxation. The core business area of Clipper Group Ltd. is dry bulk shipping, but only few areas related to bulk are included in Clipper Group A/S.

Clipper Group Ltd. is a privately-owned company, founded in 1972 as a ship operator. Since then, the company has grown to become a shipowner and an industry leader in dry bulk with substantial investments in other shipping segments as well, and an in-house technical management department. Clipper Group Ltd. has offices in 11 countries and employs 294 employees (December 31, 2016, including Seatruck Ferries) and nearly 1,400 seafarers. Peter Norborg, Group CEO, & Flemming Steen, Group CFO, constitute the Executive Management team of the Group.

RESULTS

The net result decreased in 2016 to a loss of USD 13 million (2015: profit of USD 13 million). Although the net result decreased, which mainly relates to an unrealized exchange rate loss on EUR loans, the equity ratio of the Group A/S has increased further to 45% (2015: 43%). The net result was impacted by an unrealized exchange rate loss of USD 17 million (2015: gain of USD 5 million) and a loss on sale of assets of USD 6 million (2015: gain of USD 4 million).

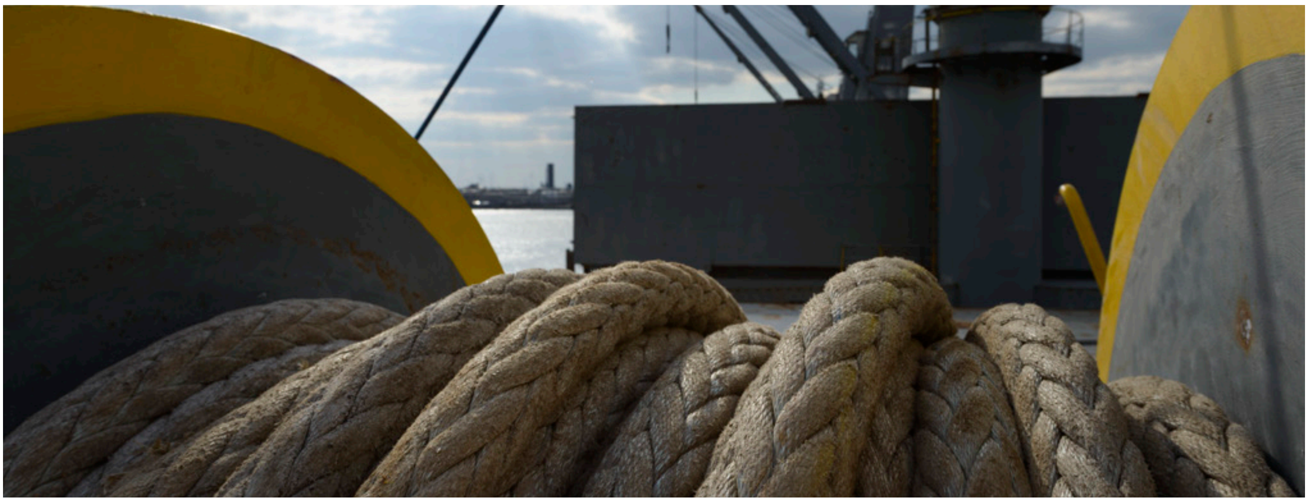
The underlying performance measured in EBIT has improved further to USD 10 million (2015: USD 6 million).

Strong EBIT contributions came from the ro-ro segment but also from the ferry segment excluding the loss on sale of two ferries. In Seatruck Ferries and Danske Færger, we have seen the expected EBIT improvements due to positive development in volumes and number of passengers on the routes, and despite the fact that the development in GBP/USD and DKK/USD has impacted the EBIT negatively. The fleet management segment has developed negatively compared to 2015 and the bulk segment has developed positively compared to 2015, but the contribution to EBIT for these segments is limited.

FINANCING

Clipper Group Ltd. has since 2014 had a comprehensive financing agreement maturing early 2018 ensuring a robust cash flow model. In 2017, Clipper has concluded the terms of a new long-term financing agreement, which will enable the Group to continue to reduce its debt as well as give the Group the opportunity to further grow its bulk business. Whereas the new financing agreement is fully operational, the finalization of the documentation was still in progress at the time of signing this report.

With the new financing agreement in place, the Group has adequate capital resources available and in place for the coming years.



DEVELOPMENT BY SEGMENT

Ferry segment

This segment includes domestic ro-pax ferry activities in the joint-venture Danske Færger A/S – owned jointly (50/50) with the Danish State.

The net result of Danske Færger in 2016 was DKK 44 million (2015: DKK 75 million). Included in the net result is the loss on sale of assets of DKK 82 million (2015: gain of DKK 3 million), which primarily relates to the sale of two ferries as a consequence of having lost the concession of sailing to Bornholm from September 2018. The two ferries are bareboat chartered back to Danske Færger until the end of Bornholm concession in 2018.

The operating result, excluding the loss on sale of assets, has developed positively in 2016 due to a higher number of passengers and a higher number of transported cars and trucks. The catering revenue has also improved in 2016.

The net result of Danske Færger is expected to improve in 2017 compared to 2016. The operating result before interest and depreciation is expected to decrease as costs related to the close-down of the Bornholm routes in 2018 are expected to impact 2017.

Ro-ro segment

This segment includes ro-ro liner activities on the Irish Sea under the brand Seatruck Ferries, and ro-ro charter activities.

The net result for 2016 is satisfactory with yet another improved operating result compared to the previous year, even though the exchange rate development has impacted the operating result negatively. Again in 2016, Seatruck experienced a growth in both volumes and market share. Utilization was improved although more capacity was added by extending the number of vessels operating the services on the Irish Sea from 6 to 7 vessels.

The weakened GBP is the only experienced impact from Brexit. The average GBP/USD exchange rate was reduced 12% in 2016 compared to 2015, which impacts earnings negatively as earnings in Seatruck are denominated in GBP. The weakened GBP has also caused an unrealized loss on currency on the EUR loans, which has impacted the net result negatively.

The ro-ro segment is expected to continue the positive development and to obtain a 2017 operating result above 2016, measured in GBP. Due to full year impact of a lower exchange rate for GBP/USD, the operating result measured in USD is expected on par with 2016.

Fleet Management segment

All of Clipper's technical management activities are placed and performed as a segment within the Clipper Group A/S structure.

The activity in the segment has been high all year with 13 new vessels entering and 9 vessels discontinued in technical management. The year 2016 ended with 34 vessels in total in technical management. Despite the additional vessels, the revenue was at the same level as in 2015, because most vessels leaving technical management left in the beginning of 2016, and most vessels entering technical management arrived in the second half of 2016.

The higher activity level is expected to improve the 2017 result, and a breakeven result is expected for the coming year.

Bulk segment

In the bulk segment, most activities are performed outside Clipper Group A/S, in other parts of the Clipper Group Ltd., and therefore this segment has only limited impact on the profit and loss for Clipper Group A/S.

The earnings of the segment have been under huge pressure in 2016, with rates in February 2016 at the lowest level since 1986. The market imbalance seen in the beginning of 2016 improved during the year and we saw a solid rebound in rates during the 4th quarter of 2016, driven by growth in sea-borne demand and a modest global fleet growth.

In 2017, we have seen a smaller than expected drop in rates around the Chinese New Year, followed by increasing rates from an upswing in market sentiment. Based on both the development in rates in the 1st quarter 2017, and on the forward rates, we expect the market to improve in 2017.

Outlook for 2017

Overall, the Group expects an operating result in 2017 at the same level as in 2016.

Events after the balance sheet date

In 2017, Clipper has concluded the terms of a new long-term financing agreement. Whereas the new agreement is fully operational, finalization of documentation was still in progress at the time of the signing of this report. The financial impact of the new financing agreement will be reflected in the consolidated financial statements for 2017.

2016 HIGHLIGHTS

Clipper Group Ltd. has a dual business model, where two strong complementary businesses – ro-ro and ferry services – support our core business, which is dry bulk shipping. The ro-ro (Seatruck Ferries) and ferry (Danske Færger) businesses are placed in the Danish subsidiary Clipper Group A/S, whereas only a small part of the bulk activities is included in Clipper Group A/S.

Operations in both the ro-ro and ferry segments developed positively in 2016 with higher volumes of cargo and passengers, and these two business units continue to present a steady cash flow to Clipper Group Ltd., unaffected by the fluctuating rates of the dry bulk market.

20 years' anniversary in Seatruck

In 2016, we celebrated the 20 years' anniversary of Seatruck Ferries, which specializes in carrying unaccompanied trailer freight across the Irish Sea. It all started in April 1996 with one vessel, the M/V Bolero, sailing on the Warrenpoint–Heysham route. Today, Seatruck operates
72 sailings per week over three routes on the Irish Sea offering daily connections between Warrenpoint-Heysham, Dublin-Heysham and Dublin-Liverpool.

The last few years, Seatruck has kept breaking volume records, and 2016 was no exception. The number of transported units increased by no less than 18.7% compared to 2015, and November 2016 was the best month ever with 31,926 units transported. In 2016, Seatruck took an 18% share of Irish Sea ro-ro freight traffic, in a total freight market that grew by 6%.

In October 2016, Seatruck added capacity onto its busy Heysham-Dublin daily service. Here, the 120-unit ro-ro ferry Clipper Point replaced the smaller Clipper Ranger, adding annual capacity of over 25,000 extra spaces. The vessel switch took place just a few weeks ahead of the opening of the M6 Link Road to Heysham port, which makes the Heysham routes even stronger alternatives to the traditional driver accompanied transit through Wales or Scotland.

The Clipper Ranger then joined the Liverpool-Dublin route as a fourth vessel to cope with the increasing demands upon this service, which saw growth of 28.2% in 2016.

Whereas Brexit has had negative influence on Seatruck in 2016 in terms of currency loss, it has not influenced volumes.

Increased traffic on all Danish ferry routes

Danske Færger A/S (Danish Ferries) manages seven national ferry routes in Denmark, connecting the mainland to a number of Danish islands, namely Bornholm, Samsø, Langeland, Als and Fanø. the Group has been co-owner of Danske Færger together with the Danish State since 2010.

Compared to 2015, traffic increased on all seven routes in 2016, in total by 6.3% on cars and 3.6% on passengers. This positive development is proof that many Danes prefer to have their holidays in Denmark.
The growth was accelerated by a substantial, government funded price reduction on a number of ferry routes outside peak seasons, resulting in up to 53% cheaper tickets. The reductions were initiated on September 1, 2016 (after the peak season), and during the last four months of the year, the number of cars transported on the routes in question (Bornholm, Samsø, Fanø) increased significantly.

In 2016, both the Bornholm and the Langeland routes were up for tender. Danske Færger won the concession to operate the Langeland (Spodsbjerg-Tårs) route until 2028. This route has been in continuous growth since 2012 when the capacity was remarkably increased with new larger ferries 'Langeland' and 'Lolland'. The sisters can carry up to 600 persons and 122 cars each and cross the sound in 45 minutes.

In May 2016, it was announced that Mols-Linien won the tender for the Bornholm concession as of September 1, 2018. This includes the ferry services from Ystad and Køge to Rønne – counting 2 of the 7 routes currently operated by Danish Ferries. Following this change, Danske Færger sold two of the four vessels serving Bornholm; namely 'Povl Anker' and 'Leonora Christina', both vessels being chartered back on bareboat to Danske Færger for the remaining time of the current Bornholm concession, i.e. until end of August 2018.

Danske Færger is working hard to continue reliable and profitable daily

Seatruck Ferries	2016	2015	Diff.
Volumes (units)	343,446	289,343	18.7%
Utilization, pct.	88	79	11.4%
Market share, pct.	18	16	12.5%

Danske Færger	2016	2015	Diff.
Number of passengers (1,000)	4,282	4,135	3.6%
Number of cars (1,000)	1,125	1,058	6.3%

Seatruck Ferries' loading operations

operations and to reshape Danske Færger into a smaller but still sound company also beyond 2018.

Increased activity within bulk

With dry bulk being the core focus of the entire Clipper Group Ltd. (though only a minor part of Clipper Group A/S), the development within this segment is imperative to the entire Clipper Group Ltd.

2016 was a challenging year for the bulk industry, but during the last months of the year the market improved, not least within Clipper's core segments, handysize and supramax, and we entered 2017 with significantly higher rates than at the same period the previous year.

Overall, Clipper's bulk business has grown substantially during 2016: Our activity level has increased significantly, measured in number of vessel days (number of days where our vessels are on hire), which increased by 11.4% to 38,491 days in 2016, as well as number of vessels operated by Clipper, which increased by 28.3% to 154 vessels end December 2016.

The number of vessels in our pools likewise increased significantly (by 17.2%) and by the end of 2016 we had 68 vessels in total in our five distinct pools, whereof 33 were owned by pool partners.

A combination of lower administration and fleet costs, continuous outperformance of the market and the strong Clipper brand gives us access to both longterm contracts of affreightment and shortterm cargo opportunities, allowing us to grow our business in a highly competitive market.

Bulk	2016	2015	Diff.
Number of vessel days	38,491	34,556	11.4%
Vessels in Clipper fleet (ultimo)	154	120	28.3%
Vessels in Clipper pools (ultimo)	68	58	17.2%

Thirteen new vessels in technical management

To Clipper Fleet Management (CFM), 2016 was a year of growth. By the end of the year, CFM had 34 vessels in technical management, which is an increase of 13.3% compared to 2015. 25 vessels were fully or partly owned by Clipper, whereas 9 were owned by third party. With this large number of vessels, CFM is able to harness economy-of-scales.

During 2016, Clipper Fleet Management took in 13 new vessels in technical management, whereas 9 vessels left our care. This means that more than one third of our current CFM vessels have been taken in during 2016, and we have put a lot of effort into scrutinizing these new vessels' machinery performance and improve it where needed. 4 of the 13 new vessels have been dry docked during 2016 along with 2 vessels that were already in Clipper's technical management. The 13 new vessels were bulk and multipurpose vessels, whereas the 9 vessels that have left CFM were mainly multipurpose and cruise vessels sold to new owners.

COACH installed on 320 vessels worldwide

COACH is a vessel performance monitoring system developed by Clipper. It tracks performance and monitors individual vessels with the purpose of improving fuel consumption. By the end of 2016, a total of 320 vessels were using COACH, hereof around 70% from external clients from all over the world. This is an increase of more than 10% compared to 2015 (286 vessels). COACH is used on bulk carriers, MPP vessels, product and chemical tankers, and gas carriers.

The set-up is simple and no hardware is installed. Once a day, the crew on board the vessel report data such as position, bunkers and consumption to COACH. In 2016, COACH made several improvements to its calculation modules, and especially the accuracy of wind and wave resistance was improved by adding hourly positions to the algorithms. Assisted by a monitoring team onshore, COACH analyses the vessel's performance and compares it to a mathematical ship model and weather conditions. Comparing data with other vessels using COACH makes it possible to look for patterns and deviations. For example, it is possible to calculate expected savings in fuel consumption if a hull cleaning is done before next voyage.

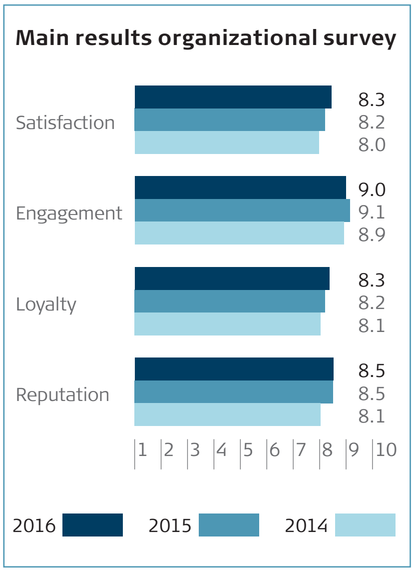
In May 2016, the Danish Shipowners' Association launched navigatingresponsibly.dk, a new portal promoting industry solutions to environmental and climate challenges. COACH was selected as a best practice example for using data to improve vessel performance and optimize energy efficiency at sea. In 2016, COACH also joined Green Ship of the Future, a dedicated network of shipping companies aimed at making shipping even more environmentally friendly through innovation and technology. Here COACH's main contribution is the ability to demonstrate energy efficiency findings and operational profiles on various vessel types.

All vessels in Clipper's management and pools have COACH installed. COACH is also used to deliver the necessary data to calculate pool points and to increase transparency within the pools. Being able to operate our vessels more efficiently allows us to reduce expenses while also actively maintaining a more climate responsible mindset.

High employee engagement

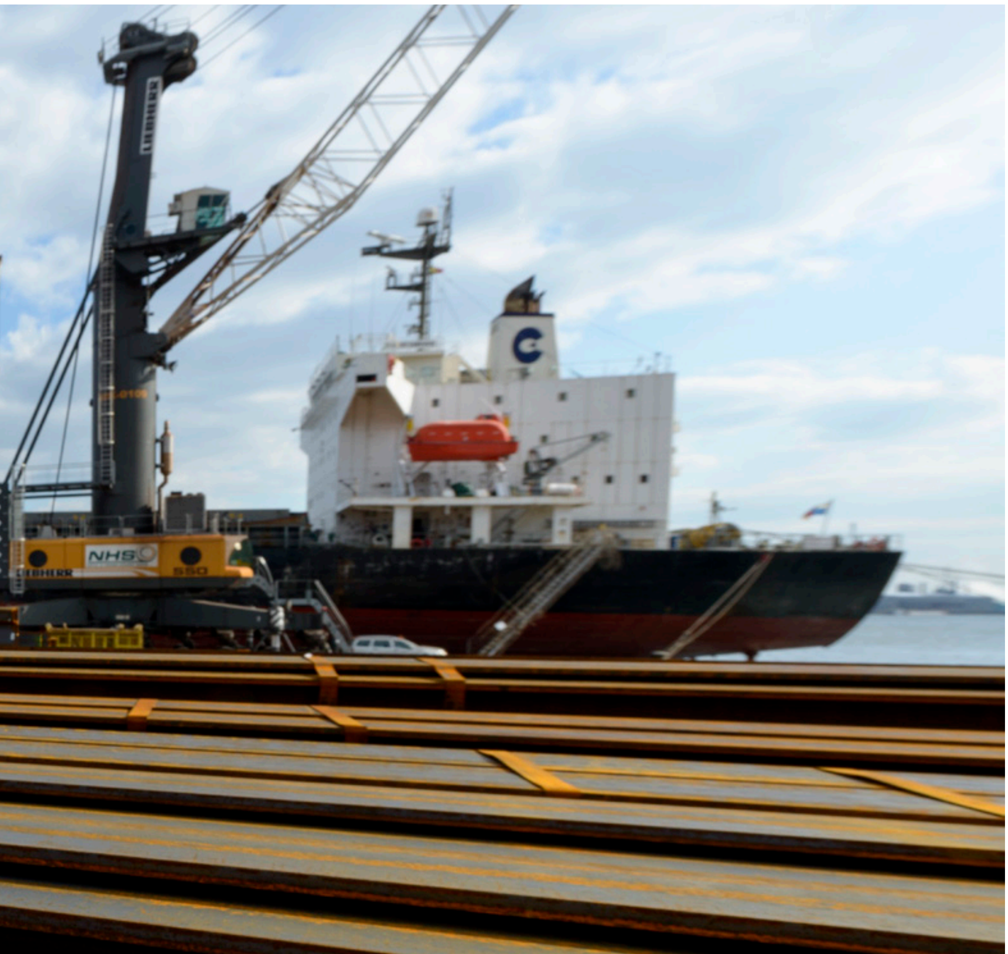
In September 2016, Clipper carried out its annual organizational survey, and the positive results from 2014 and 2015 continued. All main

objective indicators (Satisfaction, Loyalty, Engagement, Reputation) scored well above our ambitious goal of 8.0, and the scores on all main drivers also stayed at the high levels from 2015 (Executive Management, Immediate Manager, My Team, Daily Work, Employee Development, Terms of Employment).



Our managers presented and discussed results on a team level, and initiated changes where needed. On a group level, the survey did not cause us to initiate any major changes this year, but we did continue the global training initiatives for both employees and managers started in 2015, "Taking Charge of Your Career" and "Leadership Touchpoints". More than 100 employees and managers participated in these training modules during 2016.

2016 was also the first full year of our new internal communication platform (intranet), Clipper Bridge, which we launched in December 2015, and which has made internal communication and knowledge sharing easier on a global level.


Clipper Kamoshio loading steel in Antwerp

Three shipping trainees graduated, new trainees hired

Clipper participates in the shipping trainee education managed by the Danish Shipping Academy under the Danish Shipowners' Association, and we are represented on the steering committee of the Academy. In September 2016, three trainees graduated from Clipper and were all hired in fulltime positions, one in Chartering and two in Operations. At the same time, we took in three new trainees, who are now following a rotation program between different departments in Clipper as well as their education within the Danish Shipping Academy.

For the first time in 2016, a student from the new Bachelor in International Shipping & Trade at Copenhagen Business School started an internship in Clipper, working mainly in the Business Controlling & Reporting team. In addition, we hired one finance trainee and one IT trainee, who will both complete their educations at Clipper while also attending school.

Entering 2017, we had all in all three male trainees, two female trainees and one male CBS intern. We have hired three new shipping trainees commencing September 2017.

Change in Executive Management

On April 1, 2016, Peter Norborg took over the position as CEO of Clipper Group. Peter Norborg has a solid experience from the dry bulk industry, most recently with 4 years at Gearbulk and prior to that 14 years at D/S Norden. Peter Norborg took over the position from Frank G. Jensen, who continued in his role as Chairman of the Board of Clipper Group Ltd.

OPERATING AND FINANCIAL RISKS

Operating risks

The following operating risk factors have a significant influence on the Group's operating results:

- Market development in volumes for ro-ro ferry services on the Irish Sea and for the Danish ro-pax ferry services
- Market development of freight and charter rates in international bulk and in ro-ro shipping
- Market development of bunker prices (price of crude oil)
- Number of vessels in commercial and technical management
- Purchase and selling prices of tonnage (vessels)

Foreign exchange risks

The Group's functional currency is USD and the consolidated financial statements are presented in USD.

The Group's results and equity are mainly affected by exchange rate developments in DKK, EUR and GBP.

The Group's revenue is denominated in USD, GBP, DKK and EUR. The foreign exchange risk is as far as possible mitigated by also having expenses in the same currencies. Apart from this, traditional hedging tools might be applied.

Interest rate risks

Due to its investing and funding activities, the Group is exposed to interest rate fluctuations. The primary exposure is LIBOR fluctuations. The Group currently assesses and considers the development in the financial markets and hedges the interest rate risk in relation to expected developments and The Group's strategy.

It is the policy of the Group to hedge the interest rate risks on its loans when interest rate levels are deemed hedgeable at a satisfactory level. The Group's interest rate risks are usually managed through applying derivatives, according to which the exposure of certain of the floating rate loans is reduced.

Bunker risks

Bunker costs are a large part of The Group's costs in all segments. For the majority of the contracts within bulk segment, changes in bunker costs are indirectly reflected in the pricing structure. Thereby the Group is to a large extent, hedged against changes in bunker costs and does not benefit from lower bunker costs, nor do higher bunker costs have a negative impact on the results.

In the ro-ro segment, changes in bunker prices are partly covered by a separate Bunker Adjustment Factor (BAF). The ferry segment is exposed to changes in the bunker price and this exposure is covered by hedging more than 75% of the coming 12 months expected bunker consumption.

Overall, this provides the Group with a relatively minor bunker risk, which is mitigated by bunker hedging.

Intellectual capital resources

Skilled and engaged staff is key to the success of the Group, which is why we always focus on attracting the best people and subsequently on making a dedicated and targeted effort to develop and retain our employees.

Employee and leadership development programs have been carried out in 2016, alongside individual training and development talks. Again in 2016, the organizational survey showed very high results on all key indicators.

Risk management and internal controls

The Group's Executive Management team and Board of Directors continuously seek to ensure that the Group's management structure and control systems remain appropriate and function satisfactorily. Policies and procedures have been developed or are being developed with a view to ensuring active and sound management in the Group.

The Group regularly engages in identifying, analyzing and managing all significant risks in order to optimize the Group. The Board of Directors and the Executive Management team consider all risks and the individual risk factors involved in the Group's activities. Guidelines for key risk areas have been drawn up.

CORPORATE SOCIAL RESPONSIBILITY

In January 2016, Clipper Group signed the **UN Global Compact**, thereby committing to 10 universal principles on human rights, labor, environment and anti-corruption. To us, participating in UNGC does not signify a change of mindset, but rather a continuation of what we have always been doing, within a more structured process and reporting model. As a participant in the UNGC, we commit ourselves to make the UNGC principles an integral part of our business strategy, day-to-day operations, and organizational culture, and to communicate annually about the progress made.

In May 2017, we published our first CSR report within the framework of the UN Global Compact. The report is available on clipper-group.com and unglobalcompact.org.

In the CSR report we describe our CSR activities in 2016 and the progress we have made on the goals set in our CSR Strategy for 2015-2017.

Within **human rights and labor** on shore, we focus on diversity, trainee education, employee satisfaction and employee retention rate. At sea, the focus is on safety training, safety reporting and the seafarers' retention rate.

Within **environment**, our objective is to constantly increase energy and fuel efficiency for all vessels in our technical management. And within **anti-corruption**, we are implementing a training program for our employees and working closely together with the international Maritime Anti-Corruption Network (MACN).

FINANCIAL STATEMENTS CONSOLIDATED

Statement of profit and loss for the Group

	Notes	2016 USD'000	2015 USD'000
Net revenue	2	220,965	207,243
Operating expenses		(117,502)	(110,640)
Other external expenses		(17,928)	(17,273)
Operating profit/(loss) before depreciation etc.		**85,535**	**79,330**
Staff costs	3	(50,451)	(48,856)
Net gain/(loss) on sale of vessels, property and equipment		(5,585)	(877)
Depreciation and amortization	4,5	(19,562)	(23,061)
Impairment loss	5	-	(198)
Operating profit/(loss)		**9,937**	**6,338**
Profit/(loss) from investments in associates	6	999	120
Gain/(loss) from other financial assets	6	(198)	7,766
Financial expenses, net	7,8	(25,474)	(4,510)
Profit/(loss) before taxes		**(14,736)**	**9,714**
Tax on profit/(loss) for the year	9	1,817	3,618
Profit/(loss) for the year		**(12,919)**	**13,332**
Profit/(loss) for the year attributable to:			
Equity holders of the Parent		(12,918)	13,325
Non-controlling interests		(1)	7
Profit/(loss) for the year	10	**(12,919)**	**13,332**

Statement of financial position for the Group

	Notes	2016 USD'000	2015 USD'000
Goodwill		6,569	7,305
Port rights		1,394	2,071
Software		608	741
Intangible assets	4	**8,571**	**10,117**
Land and buildings		3,727	4,388
Other plant and operating equipment		5,619	6,994
Vessels		169,275	233,546
Tangible assets	5	**178,621**	**244,928**
Investments in associates	6	4,382	8,305
Other financial assets	6	7,585	9,802
Other receivables		1,537	3,487
Financial assets		**13,504**	**21,594**
Fixed assets		**200,696**	**276,639**
Bunkers and stock		**2,250**	**1,727**
Trade receivables		22,380	18,967
Receivables from related parties		93,622	67,024
Prepaid expenses and other receivables	11	8,786	8,609
Receivables		**124,788**	**94,600**
Other securities		**8,447**	**8,943**
Cash		**21,014**	**20,515**
Current assets		**156,499**	**125,785**
Assets		**357,195**	**402,424**

Statement of financial position for the Group, continued

	Notes	2016 USD'000	2015 USD'000
Share capital		171,596	171,596
Exchange rate adjustments		(14,383)	(8,107)
Value adjustment of hedging instruments		(994)	(9,081)
Retained earnings		4,753	17,665
Equity attributable to equity holders of the Parent		160,972	172,073
Non-controlling interest		39	42
Equity		**161,011**	**172,115**
Bank loans		-	146,159
Trade payables		1,212	531
Finance leases		2,516	8,400
Non-current liabilities	12	**3,728**	**155,090**
Current portion of non-current liabilities	12	135,568	12,826
Trade payables		12,013	10,269
Payables to related parties		25,085	25,189
Other payables		19,790	26,935
Current liabilities		**192,456**	**75,219**
Liabilities		**196,184**	**230,309**
Equity and liabilities		**357,195**	**402,424**

	Notes
Assets pledged and guarantees	13
Contractual obligations	14
Derivative financial instruments	15
Fees to auditors appointed at the Parent company's annual general meeting and other auditors	16
Transaction with related parties	17
Events after the balance sheet date	18

Statement of changes in equity for the Group

	Share capital	Exchange rate adjustmens	Value adjustment of hedging instruments	Retained earnings	Equity attributable equity holders of the Parent	Non-controlling interests	Total equity
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at January 1, 2016	**171,596**	**(8,107)**	**(9,081)**	**17,665**	**172,073**	**42**	**172,115**
Profit/(loss) for the year	-	-	-	(12,918)	(12,918)	(1)	(12,919)
Exchange rate adjustments of investments in companies using a functional currency other than USD	-	(6,276)	-	6	(6,270)	(2)	(6,272)
Value adjustment of hedging instruments, net after tax	-	-	8,087	-	8,087	-	8,087
Balance at December 31, 2016	**171,596**	**(14,383)**	**(994)**	**4,753**	**160,972**	**39**	**161,011**

Statement of cash flows for the Group

	Notes	2016 USD'000	2015 USD'000
Operating profit/(loss)		9,937	6,338
Adjustments for:			
Net (gain)/loss on sale of tangible assets		5,585	877
Depreciation, amortization and impairment losses		19,562	23,259
Change in provisions		(75)	(25)
Change in trade receivables and other receivables		(2,614)	15,740
Change in trade payables and other payables		989	(7,810)
Interest income received	7	242	83
Interest expenses paid	8	(4,711)	(4,142)
Taxes paid		(32)	(337)
Cash from/(used in) operating activities		**28,883**	**33,983**
Acquisition of intangible assets	4	(304)	(464)
Sale of intangible assets		-	1
Acquisition of vessels	5	(3,102)	(4,883)
Acquisition of property and operating equipment		(1,026)	(3,609)
Sale of property, operating equipment and vessels		23,789	12,161
Acquisitions of other financial assets		-	(57)
Sale of other financial assets		412	21,457
Dividend from other financial assets		1,452	-
Dividend from investments in associates		1,825	972
Loans to related parties and associates		(26,702)	(30,947)
Cash flows from/(used in) investing activities		**(3,656)**	**(5,369)**
Repayment of loans		(26,802)	(27,755)
Cash flows from/(used in) financing activities		**(26,802)**	**(27,755)**
Change in cash and cash equivalents		**(1,575)**	**859**

Statement of cash flows for the Group, continued

	Notes	2016 USD'000	2015 USD'000
Cash and cash equivalents at January 1		32,973	33,907
Change in cash and cash equivalents for the year		(1,575)	859
Effects of exchange rate changes		(1,832)	(1,793)
Cash and cash equivalents at December 31		**29,566**	**32,973**
Cash and cash equivalents comprise of:			
Cash		21,014	20,515
Cash collateral		105	3,515
Other securities		8,447	8,943
		29,566	**32,973**

CONSOLIDATED NOTES

Notes, consolidated

1. Capital resources

Clipper Group Ltd. has since 2014 had a comprehensive financing agreement ensuring a robust cash flow model. As this expires early 2018, Clipper has concluded the terms of a new financing agreement, which will enable the Group to continue to reduce its debt as well as give the Group the opportunity to further grow its bulk business. Whereas the new financing agreement is fully operational, the finalization of the documentation was still in progress at the time of signing this report.

In accordance with the terms in the new financing agreement, the Group will provide security in various assets to be further detailed in accordance with documentation under finalization. The terms of the new financing agreement also include a plan for selling some assets and for value adjustment of the financial debts of the Group.

With the new financing agreement in place, the Group has adequate capital resources available and in place for the coming years.

2. Revenue

Pursuant to the Danish Financial Statements Act, revenue is not broken down by business segments and geographical segments for competitive reasons; see section 96 of the Act.

3. Staff costs

	2016	**2015**
	USD'000	USD'000
Staff costs are composed as follows:		
Wages and salaries	44,003	42,539
Pension	3,850	4,036
Other social security costs	2,598	2,281
	50,451	**48,856**
Number of employees	557	546

The number of employees includes the crew engaged by Danske Færger A/S, whereas other crew has been engaged externally and the related costs are included in operating expenses.

	2016	**2015**
	USD'000	USD'000
Of this, salaries, remuneration and fees to the Executive Management and the Board of Directors amount to:		
Executive Management	1,890	1,818
Board of Directors	1,527	1,537
	3,417	**3,355**
Due to changes in executive management and board of directors during 2015 and 2016, the total figures above include non-recurring cost as follows:	430	485

4. Intangible assets

	Goodwill	Port rights	Software
	USD'000	USD'000	USD'000
Cost at January 1	13,778	5,327	3,335
Additions for the year	-	-	304
Exchange rate adjustments for the year	(330)	(897)	(270)
Cost at December 31	**13,448**	**4,430**	**3,369**
Amortization at January 1	6,473	3,256	2,594
Amortization for the year	530	361	407
Exchange rate adjustments for the year	(124)	(581)	(240)
Amortization at December 31	**6,879**	**3,036**	**2,761**
Carrying amount at December 31	**6,569**	**1,394**	**608**

Goodwill and port rights related to the Group's Ferry and ro-ro segments.

5. Tangible assets

	Land and buildings	Other plant and operating equipment	Vessels
	USD'000	USD'000	USD'000
Cost at January 1	12,156	28,293	372,068
Additions for the year	24	1,002	3,282
Disposals for the year	(8)	(4,155)	(41,009)
Exchange rate adjustments for the year	(372)	(1,338)	(36,589)
Cost at December 31	**11,800**	**23,802**	**297,752**
Depreciation at January 1	7,768	21,299	138,522
Depreciation for the year	597	1,873	15,794
Disposals for the year	(3)	(3,738)	(11,883)
Exchange rate adjustments for the year	(289)	(1,251)	(13,956)
Depreciation and impairment loss at December 31	**8,073**	**18,183**	**128,477**
Carrying amount at December 31	**3,727**	**5,619**	**169,275**
Carrying amount of assets provided as security	16	1,609	156,075
Finance leases	-	195	8,809

The Group has assessed estimated net selling prices and value in use of vessels. The review of estimated net selling prices was made with reference to prices provided by internationally acknowledged shipbrokers and value in use derived from discounted cash flow calculations, determined on the basis of an assumption of earnings from continued operation of the vessels. These assessments have not given rise to a write-down in 2016 (2015: USD 0.2 million).

6. Financial assets

	Investments in associates	Other financial assets
	USD'000	USD'000
Cost at January 1	17,048	37,843
Adjustment	-	(1,762)
Addition for the year	-	36
Disposals for the year	(3,280)	(6,107)
Exchange rate adjustments for the year recognized in equity	-	(744)
Cost at December 31	**13,768**	**29,266**
Value adjustments, net at January 1	(8,743)	(28,041)
Adjustments	-	1,762
Net shares of profit/(loss) after tax	999	-
Disposals for the year	(1,919)	5,695
Reversal og impairment	2,531	-
Dividend	(1,825)	(1,452)
Market value adjustment for the year taken to statement of profit/loss	-	(198)
Exchange rate adjustments for the year recognized in equity	(429)	553
Value adjustments, net at December 31	**(9,386)**	**(21,681)**
Carrying amount at December 31	**4,382**	**7,585**
Carrying amount of assets provided as security	-	2,695

During the year, the Group has sold its shares in the associated company STC Shipping Pte. Ltd.

Investments in associates can be specified as follows:

Name	**Registered in**	**Ownership**	**Share of profit/(loss)** USD'000	**Share of equity** USD'000
Steel Connect Coorperatief U.A.	The Netherlands	37.50%	864	4,380
STC Shipping Pte. Ltd. (sold)	Singapore	-	137	-
SARL Clipper Agencia Algeria	Algeria	49.00%	(2)	2
			999	**4,382**

7. Financial income

	2016 USD'000	2015 USD'000
Interest on bank deposits	53	22
Interest on receivables from related parties	-	6
Currency translation gain, net	-	5,285
Gains on securities	3	-
Other financial income	189	55
	245	**5,368**

8. Financial expenses

	2016 USD'000	2015 USD'000
Interest on payables to banks and credit institutions	8,546	8,591
Interest on payables to related parties	12	26
Currency translation loss, net	17,077	-
Losses on securities	-	12
Loss on loan to third party	-	1,000
Other financial expenses	84	249
	25,719	**9,878**

9. Income taxes

	2016 USD'000	2015 USD'000
Taxes paid abroad	(32)	(337)
Current tax	1,375	1,425
Compensation from other group companies for utilizing part of the Group's tax loss carry forwards	474	2,530
Tax on profit/(loss) for the year	**1,817**	**3,618**

Clipper Group A/S and other subsidiaries participating in the joint taxation arrangement have considerable tax loss carry forwards, the value of which has not been recognized in the balance sheet.

The Group's shipping activities are subject to tonnage tax schemes in the countries from which the shipping activities are operated.

For the Danish shipping activities, taxation under the tonnage tax scheme is binding up to and including 2021.

10. Proposed distribution of profit/(loss)

	2016	2015
	USD'000	USD'000
Retained earnings	(12,918)	13,325
	(12,918)	**13,325**

11. Prepaid expenses and other receivables

	2016	2015
	USD'000	USD'000
Fair value, derivative financial instruments	1,107	1,749
Receivable from sale of buildings	169	175
Prepaid expenses related to operations	4,637	3,667
VAT receivable	600	513
Insurance	320	505
Other	1,953	2,000
	8,786	**8,609**

12. Non-current liabilities

	2016	2015
	USD'000	USD'000
Installments due within 1 year	135,568	12,826
Installments due within 1-5 years	1,567	142,225
Installments due after 5 years	2,161	12,865
	139,296	**167,916**
Non-current liabilities falling due after 5 years are relating to the following financial statement items:		
Bank loans	-	7,767
Finance leases	2,161	5,098
	2,161	**12,865**
Debt covered by refinancing agreement	124,873	125,717
Danske Færger A/S	14,423	42,199
	139,296	**167,916**

Subsequent to the balance sheet date, the Group has concluded the terms of a new long-term financing agreement to replace the current financing agreement, which was agreed to expire early 2018. Reference is made to note 1 for more details. The disclosures made in note 12 reflect the financial arrangements in effect at December 31, 2016.

As of December 31, 2016 there were breaches of certain conditions in the existing financing agreement. As required by the Danish Financial Statements Act, all loans encompassed by the agreement are presented as current loans in the balance sheet, even though the lenders have not requested the loans to be repaid prior to maturity.

13. Assets pledged and guarantees

Vessels have been provided as security for the bank loans. At December 31, 2016, the carrying amount of vessels provided as security for bank loans totalled USD 156,075 thousand (2015: USD 221,005 thousand), hereof leased vessels of USD 9,429 thousand (2015: USD 9,736 thousand). In addition, investments in associates and other financial assets, other tangible assets and receivables from related parties of a total of USD 97,926 thousand have been provided as security for bank loans (2015: USD 72,089 thousand).

In accordance with the terms in the new agreement (Refer to note 1), the Group will provide security in its tangible assets for the bank facilities, for the Group entities covered by the agreement, with details in accordance with documentation under finalization.

14. Contractual obligations

The Group has assumed lease commitments totalling USD 615 thousand at December 31, 2016 (2015: USD 678 thousand). The lease contracts have terms of up to 48 months.

At December 31, 2016, the Group has rental commitments totalling USD 9,555 thousand (2015: USD 11,536 thousand).

At December 31, 2016, the Group has time charter commitments totalling USD 9,992 thousand (2015: USD 9,143 thousand).

The Group has provided a guarantee for USD 1,772 thousand to the Danish Transport Authority for the performance of the contract for serving the Bornholm ferry routes up until August 31, 2017 (2015: USD 9,151 thousand).

Via Danske Færger A/S', the Group has a contractual obligation to dismantle and dispose of harbor facilities at some of the harbors serviced by Danske Færger A/S' vessels. A liability has been recognized for the expected obligations.

In 2009, the Group terminated through Danske Færger A/S its contracts on the delivery of ferries by a Greek shipyard. A number of cases are pending with counterclaims by the Greek shipyard due to the termination of contracts. The Group believes that it will not be liable in excess of the amount recognized in the statement of financial position and the amount also covers the expected costs for closing down the former subsidiary in Greece.

Via Danske Færger A/S, the Group has staff members employed on public servant contracts, for which an increased pension contribution is made to the central government up until the employees' retirement. In the event of dismissal, the Group may be liable for paid leave and for pension contributions thereof to the persons in question.

Clipper Group A/S and a number of subsidiaries are subject to a joint taxation arrangement in which Clipper Group Ltd. serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the jointly taxed companies are, therefore, liable from July 1, 2012 for obligations, if any, relating to withholding tax on interest, royalties and dividend for the jointly taxed companies. From January 1, 2013, the jointly taxed companies are also liable for income taxes under the joint taxation arrangement.

15. Derivative financial instruments

The Group has entered into the following financial agreements:

Swaps for the hedging of the interest rate on loans raised through Danske Færger A/S. The market value of the swap represents an unrealized loss of USD 32 thousand (2015: Unrealized loss of USD 1,068 thousand).

Agreements for the hedging of bunker purchases for the period 2016 - 2021 relating to future ferry activities to be managed by Danske Færger A/S. The market value represents an unrealized loss of USD 1,915 thousand (2015: Unrealized loss of USD 9,327 thousand).

As regards agreements for the hedging of foreign currency held by Danske Færger A/S, the market value of the hedging agreement represents an unrealized gain of USD 1,107 thousand (2015: Unrealized gain of USD 1,749 thousand).

All amounts have been recognized directly in equity.

16. Fees to auditors appointed at the annual general meeting and other auditors

	2016	**2015**
	USD'000	USD'000
Statutory audit services, Deloitte	263	221
Statutory audit services, other auditors	58	20
Tax services, Deloitte	78	90
Tax services, other auditors	45	5
Other non-audit services, Deloitte	175	43
Other non-audit services, other auditors	8	16
	627	**395**

17. Transactions with related parties

The Group is wholly owned by Clipper Group Ltd., Bahamas. All transactions with related parties take place at arm´s length terms.

18. Events after the balance sheet date

In 2017, Clipper has concluded the terms of a new long-term financing agreement. Whereas the new agreement is fully operational, finalization of documentation was still in progress at the time of the signing of this report. The financial impact of the new financing agreement will be reflected in the consolidated financial statements for 2017.

LIST OF SUBSIDIARIES OF THE GROUP

Companies included in the consolidation:

Name and registered office	Ownership interest
Parent	
Clipper Group A/S, Denmark	
Holding companies and other companies	
HH2 A/S, Denmark	75%
K/S Clipper Air Transport, Denmark	100%
Komplementarselskabet Clipper Air Transport ApS, Denmark	100%
Clipper Americas Inc., USA	100%
Coach Solutions ApS, Denmark	100%
Ferry segment	
Danske Færger A/S, Denmark (pro rata)	50%
Ro-ro segment	
Seatruck Ferries Holding Ltd., United Kingdom	100%
Seatruck Ferries Ltd., United Kingdom	100%
Seatruck Ferries (Ireland) Limited, Ireland	100%
Seatruck Panorama Ltd., United Kingdom	100%
Seatruck Pennant Ltd., United Kingdom	100%
Pace & Point Shipping Ltd., United Kingdom	100%
Tankers segment	
Clipper Tankers (UK) Ltd., United Kingdom	100%
Clipper Wonsild Tankers (UK) Ltd., United Kingdom	100%
Bourgogne Shipping Limited, United Kingdom	100%
Burgundy Shipping Limited, United Kingdom	100%
Clipper Marine Services Ltd., United Kingdom	100%
Clipper Fourth ApS, Denmark	85%
Fourth Invest ApS, Denmark	60%
Fleet Management segment	
Clipper Fleet Management A/S, Denmark	100%
Clipper Fleet Management (India) Private Limited, India	100%

Companies included in the consolidation, continued

Name and registered office	Ownership interest
Bulk segment	
Clipper Bulk A/S, Denmark	100%
Clipper Group (USA) Inc., USA	100%
Clipper Holding (The Netherlands) B.V., The Netherlands	100%
Clipper Group (Singapore) Pte. Ltd., Singapore	100%
Clipper Bulk Shipping Pte. Ltd., Singapore	100%
Clipper Group (Japan) Ltd., Japan	100%
Clipper Forest Carriers Pte. Ltd., Singapore	100%
Clipper Bulk Transportes Maritimos Ltda., Brazil	100%
Valour Shipping Company Limited, Bahamas	100%
Multipurpose segment	
Clipper Projects A/S, Denmark	100%
K/S CEC Delta and Komplementarselskabet CEC Delta ApS, Denmark*	100%
Clipper Lines A/S, Denmark	100%

* K/S CEC Delta and Komplementarselskabet CEC Delta ApS, Denmark have been liquidated during April 2017.

FINANCIAL STATEMENTS PARENT

Statement of profit and loss

	Notes	2016 USD'000	2015 USD'000
Net revenue		16,978	15,387
Other external expenses		(8,130)	(7,971)
Operating profit/(loss) before depreciation etc.		**8,848**	**7,416**
Staff costs	1	(17,544)	(15,918)
Net gain/(loss) on sale of property and equipment		(22)	-
Depreciation and amortization	2,3	(953)	(812)
Operating profit/(loss)		**(9,671)**	**(9,314)**
Profit/(loss) from investments in subsidiaries	4	(7,954)	4,980
Profit/(loss) from investments in associates	4	3,860	5,618
Gain/(loss) from other financial assets	4	(198)	7,766
Financial expenses, net	5,6	(866)	459
Profit/(loss) before taxes		**(14,829)**	**9,509**
Tax on profit/(loss) for the year	7	1,911	3,816
Profit/(loss) for the year	8	**(12,918)**	**13,325**

Statement of financial position

	Notes	2016 USD'000	2015 USD'000
Software		19	41
Intangible assets	2	**19**	**41**
Other plant and operating equipment		2,692	3,275
Tangible assets	3	**2,692**	**3,275**
Investments in subsidiaries	4	576	29,626
Investments in associates	4	57,226	47,782
Other financial assets	4	7,585	9,802
Financial assets		**65,387**	**87,210**
Fixed assets		**68,098**	**90,526**
Receivables from related parties		100,591	84,845
Other receivables		1,953	1,970
Receivables		**102,544**	**86,815**
Other securities		**-**	**213**
Cash		**34**	**4,974**
Current assets		**102,578**	**92,002**
Assets		**170,676**	**182,528**

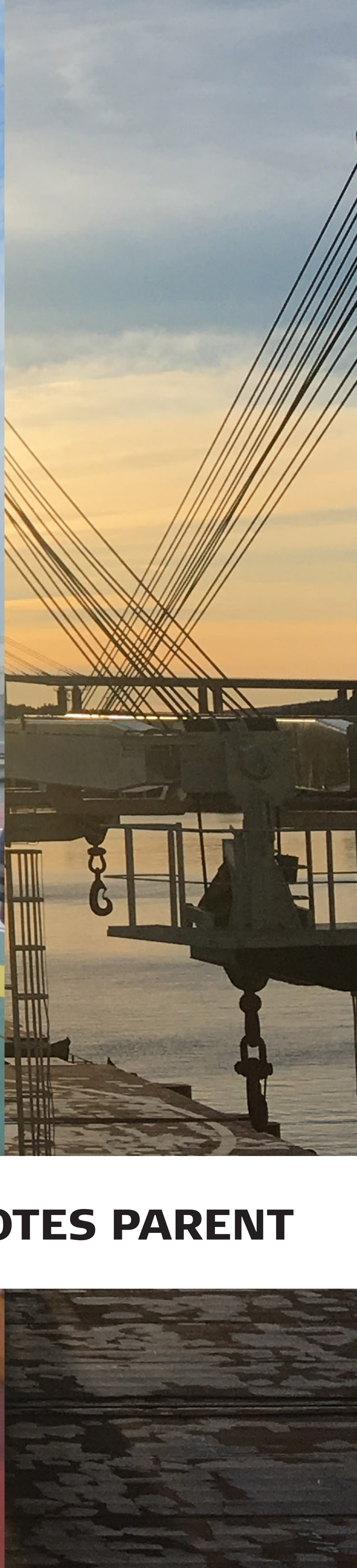
Statement of financial position, continued

	Notes	2016 USD'000	2015 USD'000
Share capital	9	171,596	171,596
Retained earnings		(10,624)	477
Equity		**160,972**	**172,073**
Bank loans	10	-	407
Non-current liabilities		**-**	**407**
Trade payables		760	1,229
Payables to subsidiaries		5,430	4,786
Other payables		3,514	4,033
Current liabilities		**9,704**	**10,048**
Liabilities		**9,704**	**10,455**
Equity and liabilities		**170,676**	**182,528**

Assets pledged and guarantees	11
Contractual obligations	12
Ownership	13
Consolidation	14
Transaction with related parties	15

Statement of changes in equity

	Share capital USD'000	Retained earnings USD'000	Total equity USD'000
Balance at January 1, 2016	**171,596**	**477**	**172,073**
Profit/(loss) for the year	-	(12,918)	(12,918)
Exchange rate adjustments of investments in subsidiaries and associates	-	(6,270)	(6,270)
Value adjustment of hedging instruments in subsidiaries and associates, net after tax	-	8,087	8,087
Balance at December 31, 2016	**171,596**	**(10,624)**	**160,972**



NOTES PARENT

Notes, Parent

1. Staff costs

	2016	2015
	USD'000	USD'000
Staff costs are composed as follows:		
Wages and salaries	15,885	14,386
Pension	1,139	1,101
Other social security costs	520	431
	17,544	**15,918**
Number of employees	77	75
Of this, salaries, remuneration and fees to the Executive Management and the Board of Directors amount to:		
Executive Management	1,890	1,818
Board of Directors	1,527	1,537
	3,417	**3,355**
Due to changes in the Executive Management and the Board of Directors during 2015 and 2016, the total figures above include non-recurring cost as follows:	430	485

2. Intangible assets

	Software
	USD'000
Cost at January 1	111
Cost at December 31	**111**
Amortization for the year at January 1	70
Amortization for the year	22
Amortization at December 31	**92**
Carrying amount at December 31	**19**

3. Tangible assets

	Other plant and operating equipment
	USD'000
Cost at January 1	9,193
Additions for the year	369
Disposals for the year	(2,436)
Cost at December 31	**7,126**
Depreciation at January 1	5,918
Depreciation for the year	931
Disposals for the year	(2,415)
Depreciation and impairment loss at December 31	**4,434**
Carrying amount at December 31	**2,692**

4. Financial assets

	Investments in subsidiaries USD'000	Investments in associates USD'000	Other financial assets USD'000
Cost at January 1	392,557	115,311	37,843
Adjustment	-	-	(1,762)
Addition for the year	-	-	36
Disposals for the year	-	-	(6,107)
Exchange rate adjustments	-	-	(744)
Cost at December 31	**392,557**	**115,311**	**29,266**
Value adjustment, net at January 1	(362,931)	(67,529)	(28,041)
Adjustment	(98)	-	1,762
Net share of profit/(loss) after tax	(7,954)	3,860	-
Addition for the year	6,005	-	-
Disposals for the year	-	-	5,695
Dividends received	(23,399)	-	(1,452)
Market value adjustment for the year taken to statement of profit/(loss)	-	-	(198)
Value adjustment of hedging transaction, net after tax	-	8,087	-
Exchange rate adjustments	(3,604)	(2,503)	553
Value adjustment, net at December 31	**(391,981)**	**(58,085)**	**(21,681)**
Carrying amount at December 31	**576**	**57,226**	**7,585**
Carrying amount of assets provided as security	470	-	2,695

4. Financial assets, continued

Name	Registered in	Ownership
Investments in subsidiaries can be specified as follows:		
Clipper Bulk A/S	Denmark	100%
Clipper Projects A/S	Denmark	100%
HH2 A/S	Denmark	75%
Fourth Invest ApS	Denmark	60%
Coach Solutions ApS	Denmark	100%
Clipper Group (USA) Inc.	USA	100%
Clipper Americas Inc.	USA	100%
K/S Clipper Air Transport	Denmark	100%
Komplementarselskabet Clipper Air Transport ApS	Denmark	100%
Clipper Fourth ApS	Denmark	85%
Seatruck Ferries Holding Ltd.	United Kingdom	100%
Clipper Tankers (UK) Ltd.	United Kingdom	100%
Clipper Holding (The Netherlands) B.V.	The Netherlands	100%
Investments in associates can be specified as follows:		
Clipper Fleet Management (India) Pvt. Ltd.	India	10%
K/S CEC Delta*	Denmark	10%
Danske Færger A/S	Denmark	50%

* Liquidated during April 2017

5. Financial income

	2016 USD'000	2015 USD'000
Interest on bank deposits	-	13
Interest income from subsidiaries and associates	1,281	1,222
Market value adjustment of securities	3	-
Currency translation gain, net	-	634
	1,284	**1,869**

6. Financial expenses

	2016	2015
	USD'000	USD'000
Interest on bank debt	7	310
Market value adjustment of securities	19	12
Write-down of loan to third party	-	1,000
Other financial expenses	12	88
Currency translation loss, net	2,112	-
	2,150	**1,410**

7. Tax

Clipper Group A/S is subject to a joint taxation arrangement.

Clipper Group A/S has tax losses carried forward, the value of which has not been recognized in the balance sheet.

8. Proposed distribution of profit/(loss)

	2016	2015
	USD'000	USD'000
Retained earnings	(12,918)	13,325
	(12,918)	**13,325**

9. Share capital

	2016	2015
The share capital is composed as follows:		
Share capital (DKK'000)	983,000	983,000
Share capital (USD'000), translated at historical rates	171,596	171,596

The shares have not been divided into classes.

Changes in share capital for the last five years:

In 2013, the share capital was changed from DKK 982,500 thousand to DKK 983,000 thousand by conversion of debt. In 2012, the share capital was changed from DKK 955,000 thousand to DKK 982,500 thousand by conversion of debt.

10. Bank loans

	2016	2015
	USD'000	USD'000
Installments due within 1 year	-	-
Installments due within 1-5 years	-	407
	-	**407**

As a co-signatory of the Clipper Group Ltd.'s financing agreement existing at December 31, 2016, the Company guarantees the lenders of the agreement that the other companies' obligations assumed under the financing agreement will be met. Clipper Group Ltd. has in 2017 concluded the terms of a new long term financing agreement. The securities to be provided under this new financing agreement will be detailed in the documentation under finalization.

11. Assets pledged and guarantees

Investments in subsidiaries, associates and other financial assets of USD 3,047 thousand have been provided as security for bank loans (2015: USD 32,555 thousand).

In accordance with the terms in the new agreement (Refer to note 1), the Group will provide security in its tangible assets for the bank facilities, for the Group entities covered by the agreement, with details in accordance with documentation under finalization.

12. Contractual obligations

The Company has assumed lease commitments totaling USD 615 thousand at December 31, 2016 (2015: USD 678 thousand). The lease contracts have a term of up to 48 months.

The Company has entered into an interminable lease contract effective until December 31, 2020. The lease commitments total USD 7,336 thousand (2015: USD 9,391 thousand).

The Company has provided a guarantee for USD 1,772 thousand to the Danish Transport Authority for the performance of the contract for serving the Bornholm ferry routes up until August 31, 2017 (2015: USD 10,210 thousand).

The Company is jointly and severally liable with Danske Færger A/S for any claims that may be filed against Danske Færger A/S relating to the subsidiary's liabilities in respect of staff employed on public service contracts.

The Company participates in a Danish joint taxation arrangement in which Clipper Group Ltd. serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from July 1, 2012 for obligations, if any, relating to withholding tax on interest, royalties and dividend for the jointly taxed companies. From January 1, 2013, the jointly taxed companies are also liable for income taxes under the joint taxation arrangement.

13. Ownership

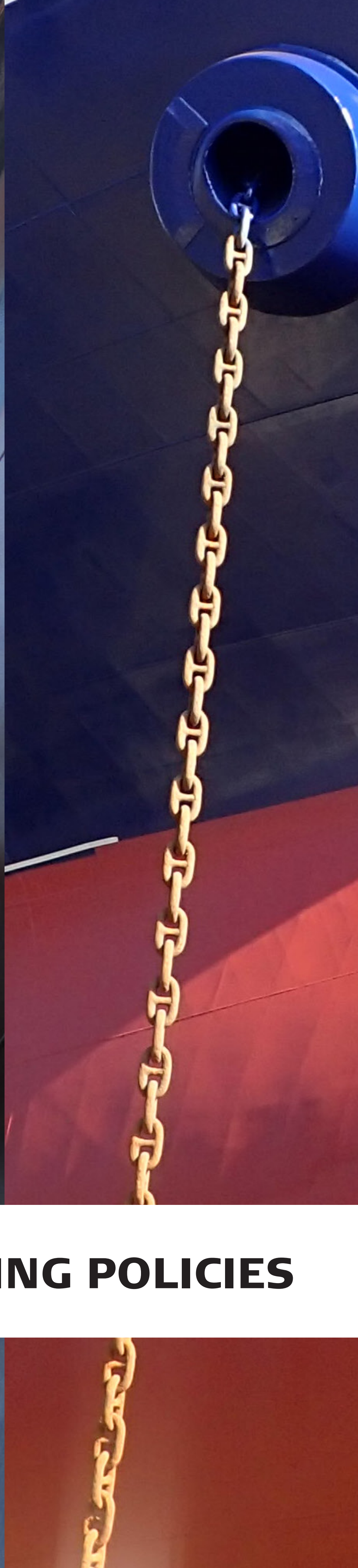
The Company is wholly owned by Clipper Group Ltd., Bahamas.

14. Consolidation

Clipper Group Ltd., 205 Church Street, Sandyport, P.O. Box CB-13048, Nassau, Bahamas, does not publish its financial statements.

15. Transactions with related parties

We refer to note 17 in the consolidated financial statements.



ACCOUNTING POLICIES

Statement of compliance

The annual report of the Parent has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium), whereas the consolidated financial statements have been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

Due to changes in the Danish Financial Statements Act effective 2016 Non-controlling interests are included in Equity. Comparative figures have been adjusted accordingly.

Basis of preparation

Due to the international nature of the Group's activities and the fact that the Group transacts most of its business in USD, the Group's financial statements are prepared in USD. The DKK exchange rate against USD applied is 7.0528 at December 31, 2016 (2015: 6.8300).

Recognition and measurement

Assets are recognized in the statement of financial position when it is probable as a result of a prior event that future economic benefits will flow to the Group, and the value of the assets can be measured reliably.

Liabilities are recognized in the statement of financial position when the Group 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 Group, and the value of the liabilities 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 end of the reporting period are considered at recognition and measurement.

Income is recognized in the statement of profit and loss when earned, whereas costs are recognized by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recognized in the statement of profit and loss as financial income or financial expenses.

Basis of consolidation

The consolidated financial statements comprise Clipper Group A/S (Parent) and the enterprises (subsidiaries) that are directly or indirectly controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, exercises significant but not controlling influence are regarded as associates. Enterprises in which the Group holds 50% of the voting rights and participates in joint management are consolidated on a pro rata basis.

The consolidated financial statements are prepared by combining uniform items. On consolidation, intragroup income and expenses, intra-group accounts, dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognized in full in the consolidated financial statements. Minority interests' pro rata shares of profit/loss and net assets are disclosed as separate items in the statement of profit and loss and the statement of financial position.

Business combinations

Newly acquired or newly established enterprises are recognized in the consolidated financial statements from the time of acquiring or establishing such enterprises.

The acquisition method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Allowance is made for the tax effect of any restatement made to the carrying amounts of assets and liabilities of the enterprise acquired.

The pooling of interests method is applied when Management assess that the conditions according to section 121 (2) of the Danish financial Statements Act are met.

When using the pooling of interest method the opening balance is calculated by aggregating the companies' assets and liabilities measured at carrying amounts, adjusted for any differences in accounting policies and accounting estimates.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the net assets taken over are recognized under intangible assets in the consolidated financial statements, and amortized systematically over the statement of profit and loss based on an individual assessment of their useful lives, however, no more than 20 years.

Negative goodwill is recognized over the average remaining life of property, plant and equipment of the subsidiary, to which negative goodwill is attributable.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the end of the reporting period are translated using the exchange rate at the end of the reporting period. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date or the rate at the end of the reporting period are recognized in the statement of profit and loss as financial income or financial expenses. Fixed assets purchased in foreign currencies are translated using historical rates.

For the purpose of presenting the consolidated financial statements, the financial statements of subsidiaries, pro rata consolidated entities and associates with another financial currencies than USD are translated to USD as follows: The statements of profit and loss are translated using average exchange rates, and statement of financial position items are translated using the exchange rates at the end of the reporting period. Exchange differences arising out of the translation of foreign entities' equity at the beginning of the year at exchange rates applicable at the end of the reporting period, as well as out of the translation of statements of profit and loss from average rates applicable to the exchange rates at the end of the reporting period are recognized directly in equity.

Assessment of vessels' carrying amounts and onerous contracts

The Group reviews the fleet of vessels and chartered vessels for any impairment and any provision for onerous contracts for vessels on a portfolio basis. This review is made when events or changes in circumstances occur which could indicate that the carrying amount of vessels exceeds the vessels' recoverable amount, and when the liabilities of chartered vessels exceed the value in use of the future earnings in the remaining contract periods. In such cases, either an impairment loss of vessels or a provision for onerous contracts is recognized based on the difference between the carrying amounts and the higher value of value in use and net selling price for own vessels or the value in use of the estimated future earnings of chartered vessels, respectively.

Derivative financial instruments

On initial recognition in the statement of financial position, derivative financial instruments are measured at cost and subsequently at fair value under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging of the fair value of a recognized asset or a recognized liability are recorded in the statement of profit and loss together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognized directly in equity. When the hedged transactions are realized, the changes are recognized in the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognized currently in the statement of profit and loss.

Statement of profit and loss

Revenue recognition

Time and bareboat charter revenue is recognized over the term of the charter.

Income from voyage charters is recognized in accordance with the percentage-of-completion method where the percentage of completion is determined as the percentage of the estimated duration of the voyage completed at the end of the reporting period.

For losses estimated on the completion of voyages and time charters in progress at the end of a reporting period, a provision is recognized to cover the anticipated net loss.

Demurrage revenue is recognized when reimbursement under the claim is considered probable.

The Group generates its revenue from shipping activities which to some extent are conducted through pools. Total pools' revenue is generated from each vessel participating in the pools in which the Group participates and is based on either voyage or time charter parties. The pools measure net revenues based on the contractual rates and the duration of each voyage, and net revenue is recognized in accordance with the terms and conditions of the charter parties.

In the Group's ferry segment, income from ticket sales is recognized at the date of transport, and contract remuneration is recognized over the term of the contracts.

Income from management and administration services is recognized concurrently with delivery of services.

Operating expenses

Operating expenses include costs relating to the operation of the Group's own and chartered vessels, including time and bareboat charter costs, port charges, bunker costs, maintenance costs, insurance costs, crew wages and other vessel-operating expenses. Vessel-operating costs are recognized concurrently with receipt of services in accordance with the charter parties concluded.

Other external expenses

Other external expenses comprise expenses for marketing, administration, premises, etc.

Staff costs

Staff costs comprise salaries and wages as well as social security costs, pension contributions, etc. for the Group's staff.

Financial income and expenses

Financial income and financial expenses comprise interest, unrealized and realized market value adjustments of securities as well as realized and unrealized exchange rate adjustments.

Taxation

Income tax expense/income represents the sum of the tax currently payable/receivable and changes in deferred tax.

Current tax

Income tax is recognized in the statement of profit and loss by the portion attributable to the profit/loss for the year and recognized directly in equity by the portion attributable to entries directly in equity. Current tax for the year comprises tonnage tax for shipping activities.

The current tax payable or receivable is recognized in the statement of financial position, based on tax calculated on this year's taxable income, adjusted for prepaid tax.

Clipper Group A/S and subsidiaries that are subject to Danish taxation are included under a Danish joint taxation scheme. The current income tax is allocated among the jointly taxed enterprises proportionally to their taxable income (full allocation with a refund concerning tax losses).

Deferred tax

Deferred tax is recognized and measured in accordance with the balance sheet liability method of all temporary differences between the carrying amount and tax-based value of assets and liabilities. The tax-based value of the assets is calculated based on the planned use of each asset.

Deferred tax is measured based on the tax regulations and tax rates of the relevant countries that will be in effect according to law at the end of the reporting period when the deferred tax is estimated to be triggered as current tax. Changes in deferred tax resulting from changed tax rates are recognized in the statement of profit and loss.

Deferred tax assets are recognized in the statement of financial position at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets. The amount of net tax loss carry forwards is recognized in the administration company.

Statement of financial position

Goodwill

Goodwill is amortized over its estimated life which is fixed based on the experience gained by Management for each business area. The amortization period is up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile.

The carrying amount of goodwill is assessed on a current basis and written down to a recoverable amount if the carrying amount exceeds the present value of the estimated future net income from the enterprise or activity to which the goodwill is related.

Port rights

Port rights are measured at cost less accumulated amortization and impairment losses. The amortization period is between 10 to 20 years.

Software
Software is measured at cost less amortization and impairment losses. Amortization is initiated when the asset is put into operation, after which straight-line amortization is made over a five-year period.

Property, plant and equipment
Buildings, vessels, tools and equipment are measured at cost less accumulated depreciation and write-downs. Cost comprises the acquisition price and costs directly attributable to the acquisition up until the time when the asset is ready for use. Dry-docking costs are capitalized as part of vessel costs.

The basis of depreciation is calculated as the excess of cost over the estimated scrap value. The scrap value of vessels is determined based on the market price per lightweight ton for scrapping of the vessel. The useful life and the residual value of the vessels are reviewed at least at each financial year-end based on market conditions, regulatory requirements and the Group's business plans. Residual value of dry-docking is nil.

The basis of depreciation is allocated on a straight-line basis over the estimated useful lives of the assets as follows:

Vessels, generally	20 years
Ferries	25-30 years
Dry-docking costs	30-36 months
Other plant and operating equipment	3-10 years
Buildings	20-50 years

The depreciation period for second hand vessels is determined on the basis of the condition and age of the vessels at the time of acquisition.

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from the vessels.

Prepayments on newbuildings are measured at costs incurred and recognized in assets as vessels under construction as payments are made.

Gains and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and the carrying amount at the time of sale.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in subsidiaries and associates
Investments in subsidiaries and associates are recognized and measured in the Parent's financial statements using the equity method. Associates that are jointly controlled enterprises are included in the consolidated financial statements by pro rata consolidation. In the Parent's financial statements such associates are accounted for using the equity method.

The Parent's share of the subsidiaries' or the pro rata share of the associates' profit/loss after tax and after elimination of the pro rata share of unrealized intra-group profits and losses for the year is recognized in the items "Profit/loss from investments in subsidiaries" and "Profit/loss from investments in associates".

In the statement of financial position, the items "Investments in subsidiaries" and "Investments in associates" include the pro rata ownership interest in the subsidiaries' or the associates' equity value.

Receivables
Receivables are measured at the lower of amortized cost using the effective interest method and net realizable value, which corresponds to the nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepaid expenses and other receivables
Prepayments comprise incurred costs relating to subsequent financial years.

Other financial assets
Other financial assets are presented in fixed asset investments and consist of assets that are measured at market value and which may be considered long-term investments in accordance with the Group investment policy. Value adjustments to acquisition cost are included under income from other financial assets in the statement of profit and loss.

Other securities
Other securities are presented in current assets and are measured at market prices at the end of the reporting period. Value adjustments to acquisition cost are included under financial income or financial expenses in the statement of profit and loss. Other securities consist of listed bonds and shares.

Provisions

Provisions are recognized when the Group has a legal or constructive obligation as a result of an event occurring at the end of the reporting period at the latest, and it is probable that future economic benefits will flow out of the Group to meet this obligation, although uncertainty exists as to the size of amount and time of payment.

Provisions for losses on contracts are calculated on the basis of forecasted results for the individual contracts for the remaining contract period, discounted at present value using the marginal borrowing rate.

Non-current liabilities

Non-current liabilities are recognized at the time the loans are obtained in the amount of the proceeds after deduction of transaction costs. In subsequent periods, such loans are recognized at amortized cost, equivalent to the capitalized value applying the effective rate of interest at the inception of the loan, to the effect that the difference between the proceeds and the nominal value is recognized as an interest expense in the statement of profit and loss over the term of the loan. Fees and other changes paid to set up a credit facility are recognized as transaction costs to the extent that it is probable that the facility will be utilized. To the extent that it is not probable that the facility will be partially or fully utilized, fees and other charges are recognized as a prepayment for making the facility available and amortized over the term of the credit facility.

Other liabilities, comprising trade payables and other payables, are measured at amortized cost, corresponding substantially to nominal value.

Cash flow statement

The consolidated cash flow statement is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Group's cash and cash equivalents at the beginning and end of the financial year.

Cash flows from the acquisition and divestment of enterprises are shown separately under cash flows from investing activities. Cash flows from acquired enterprises are recognized in the cash flow statement from the time of their acquisition, and cash flows from divested enterprises are recognized up to the time of divestment.

Cash flows from operating activities are calculated as operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises and activities as well as acquisition and sale of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, installments on interest-bearing debt, and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.

No separate cash flow statement has been prepared for the Parent as it is included in the cash flow statement of the Group.

VALUES

DYNAMIC
We have the drive and enthusiasm to take action and make a difference.

DEPENDABLE
We strive to ensure professional and consistent execution of our commitments.

INNOVATIVE
We embrace change and challenge ourselves to be proactive and develop optimal solutions.

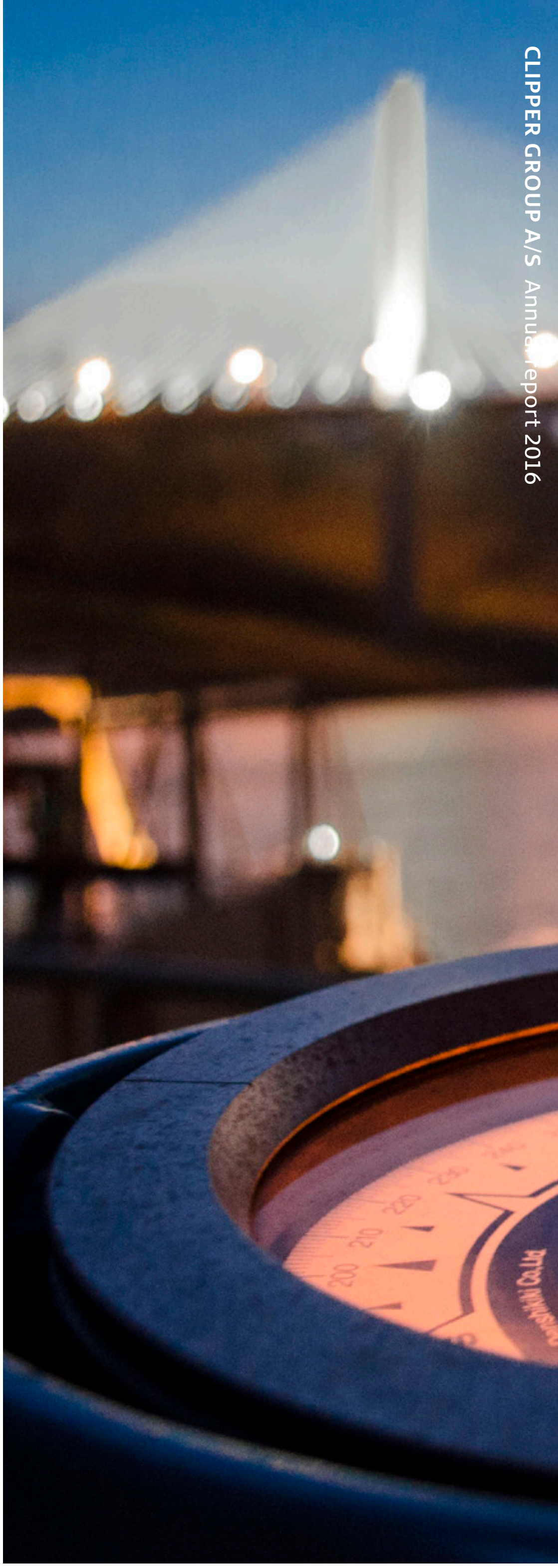
HANDS-ON
We make it our priority to know and care for people and our business.

VISION

To be one of the leading shipping companies in the world.

MISSION

To facilitate world trade and global development while generating long term value for our shareholders.



Clipper Group A/S
Clipper House
Sundkrogsgade 19
2100 Copenhagen Ø
Denmark

clipper-group.com