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BDO Statsautoriseret revisionsaktieselskab
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DK-6705 Esbjerg Ø
CVR no. 20 22 26 70

GAC DENMARK A/S

AUKTIONSGADE 30, 6700 ESBJERG

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2021

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 4 March 2022

Thomas Høgh Okbo

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 31 17 75 96

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COMPANY DETAILS

Company	GAC Denmark A/S Auktionsgade 30 6700 Esbjerg	
	CVR No.:	31 17 75 96
	Established:	20 December 2007
	Municipality:	Lyngby-Taarbæk
	Financial Year:	1 January - 31 December
Board of Directors	Thomas Høgh Okbo, chairman Sebastian Bo Hyllested Jönsson Bengt Åke Ekstrand	
Executive Board	Sebastian Bo Hyllested Jönsson	
Auditor	BDO Statsautoriseret revisionsaktieselskab John Tranums Vej 23, 1. sal 6705 Esbjerg Ø	

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of GAC Denmark A/S for the financial year 1 January - 31 December 2021.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements *give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.*

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Esbjerg, 4 March 2022

Executive Board

Sebastian Bo Hyllested Jönsson

Board of Directors

Thomas Høgh Okbo Chairman	Sebastian Bo Hyllested Jönsson	Bengt Åke Ekstrand

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of GAC Denmark A/S

Opinion

We have audited the Financial Statements *of GAC Denmark A/S for the financial year 1 January - 31 December 2021, which comprise income statement, Balance Sheet, statement of changes in equity,* notes *and 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 assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements*" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.*

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 the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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 conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.*
- *Evaluate the overall presentation, structure and contents of the Financial Statements, including the 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 Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary 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 Management Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

Esbjerg, 4 March 2022

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Anders Noe
State Authorised Public Accountant
MNE no. mne41367

MANAGEMENT COMMENTARY

Principal activities
The Company's purpose is to operate chartering, shipping agency and logistics as well as other related services.

Recognition and measurement uncertainty
Recognition and measurement of deferred tax assets are subject to uncertainty and estimates. Due to uncertainties in the market situation for the Company, including timing of the utilisation of the deferred tax asset has not been recognised. The deferred tax asset not recognised amount to DKK 8,522 thousand at 31 December 2021 (31 December 2020: DKK 8.608).

Development in activities and financial and economic position
The income statement for 2021 showed a profit of DKK 278 thousand, and at 31 December 2021, the balance sheet showed equity of DKK 3,135 thousand.

In 2021 the Covid-19 Pandemic continued to affect the operational activities in both positive and negative ways. The Cruise season was once again highly affected, and the majority of port calls was cancelled. On a positive note, the more structured approach to Covid-19 restrictions and less changes in travel restrictions made it possible to streamline services that was previously negatively affected

Significant events after the end of the financial year
No other events have occurred after the end of the financial year of material importance for the company's financial position then COVID-19.

Future expectations
In 2022 we expect a more normalized operation with ability to travel. This will affect the chance to win more business and improve efficiency due to less time-consuming tasks related to Covid-19 restrictions. Furthermore, due to many investments in the Offshore sector we expect higher activity during the year for the Offshore and project department.

For 2022, the Company is expecting increased activity and operational profitability and a strengthened net-result.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2021 DKK '000	2020 DKK '000
GROSS PROFIT		**7.392**	**5.888**
Staff costs	1	-6.425	-5.865
Depreciation, amortisation and impairment losses		-232	-281
OPERATING PROFIT		**735**	**-258**
Income from investments in subsidiaries	2	0	364
Other financial income		528	1.124
Other financial expenses	3	-985	-481
PROFIT BEFORE TAX		**278**	**749**
Tax on profit/loss for the year		0	0
PROFIT FOR THE YEAR		**278**	**749**

PROPOSED DISTRIBUTION OF PROFIT

Retained earnings		278	749
TOTAL		**278**	**749**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2021 DKK '000	2020 DKK '000
Intangible fixed assets acquired		20	65
Intangible assets	4	**20**	**65**
Other plant, machinery tools and equipment		456	506
Property, plant and equipment	5	**456**	**506**
Rent deposit and other receivables		123	152
Financial non-current assets	6	**123**	**152**
NON-CURRENT ASSETS		**599**	**723**
Trade receivables		8.534	6.830
Receivables from group enterprises		7.601	8.387
Other receivables		1.348	1.321
Prepayments and accrued income		146	24
Receivables		**17.629**	**16.562**
Cash and cash equivalents		**3.099**	**1.501**
CURRENT ASSETS		**20.728**	**18.063**
ASSETS		**21.327**	**18.786**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2021 DKK '000	2020 DKK '000
Share capital	7	800	800
Retained earnings		2.335	2.056
EQUITY		**3.135**	**2.856**
Other liabilities		351	593
Non-current liabilities	8	**351**	**593**
Bank debt		9.440	68
Trade payables		7.681	5.646
Debt to group enterprises		45	8.360
Other liabilities		675	1.263
Current liabilities		**17.841**	**15.337**
LIABILITIES		**18.192**	**15.930**
EQUITY AND LIABILITIES		**21.327**	**18.786**
Contingencies etc.	9		
Related parties	10		

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2021	800	2.057	2.857
Proposed profit allocation		278	278
Equity at 31 December 2021	**800**	**2.335**	**3.135**

NOTES

	2021 DKK '000	2020 DKK '000	Note
Staff costs			1
Average number of employees	11	11	
Wages and salaries	5.742	5.198	
Pensions	428	413	
Social security costs	63	70	
Other staff costs	192	184	
	6.425	**5.865**	
Income from investments in subsidiaries			2
Income from investments in subsidiaries	0	364	
	0	**364**	
Other financial expenses			3
Group enterprises	185	308	
Other interest expenses	800	173	
	985	**481**	

Intangible assets	Intangible fixed assets acquired	Note 4
Cost at 1 January 2021	389	
Additions	13	
Cost at 31 December 2021	**402**	
Amortisation at 1 January 2021	323	
Amortisation for the year	59	
Amortisation at 31 December 2021	**382**	
Carrying amount at 31 December 2021	**20**	

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Property, plant and equipment 5

	Other plant, machinery tools and equipment
Cost at 1 January 2021	1.084
Additions	121
Cost at 31 December 2021	**1.205**
Depreciation and impairment losses at 1 January 2021	578
Depreciation for the year	171
Depreciation and impairment losses at 31 December 2021	**749**
Carrying amount at 31 December 2021	**456**

Financial non-current assets 6

	Rent deposit and other receivables
Cost at 1 January 2021	152
Additions	31
Disposals	-60
Cost at 31 December 2021	**123**
Carrying amount at 31 December 2021	**123**

	2021 DKK '000	**2020** DKK '000	Note
Share capital			7
Allocation of share capital:			
Share capital, 8.000 unit in the denomination of 100 DKK	800	800	
	800	**800**	

Long-term liabilities 8

	31/12 2021 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2020 total liabilities
Other liabilities	351	0	0	593
	351	**0**	**0**	**593**

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Contingencies etc. 9

At 31 December 2021 the Company has a deferred tax asset of DKK 8.522 thousand, which is not recognised in the financial statements as it is unsure if the tax asset can be utilized.

Contingent liabilities
The Company has no mortgages.

As co-guarantor, the Company is jointly and severally liable together with its previously subsidiary for a joint credit facility in a credit institute with a credit facility of DKK 10,500 thousand (FY2020: DKK 10,500 thousand).

The Company has signed a rental agreement with a commitment for DKK 400 thousand. (FY2020: DKK 447 thousand).

The Company has signed lease agreements with a total commitment of DKK 477 thousand (FY2020: DKK 1,156 thousand).

Related parties 10
The Company's related parties include:

Controlling interest
Gulf Agency Company (Holdings) B.V. (NL), Waalhaven O.z. 83D, 3087BM Rotterdam, Netherlands.

Gulf Agency Company (Holdings) B.V. (NL) holds the majority of the share capital in the Company.

Transactions with related parties
The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

ACCOUNTING POLICIES

The Annual Report of GAC Denmark A/S for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

Consolidated Financial Statements
Pursuant to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

INCOME STATEMENT

Net revenue
Sale of services is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales
Cost of sales comprise all costs incurred to provide shipping services, logistics and other transportation activities.

Other external expenses
Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, management fee, etc.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses
Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

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

BALANCE SHEET

Intangible fixed assets
Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 5 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the industry-specific conditions.

Software is measured at cost less accumulated amortisation and impairment losses.

ACCOUNTING POLICIES

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful life is three years.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Tangible fixed assets
Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment...	3-10 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets
The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

ACCOUNTING POLICIES

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

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

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.