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PERSONLIGT ENGAGEMENT

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Hafnia Management A/S under frivillig likvidation

Hans Bekkevolds Alle 7, 2900 Hellerup

Company reg. no. 32 66 62 21

Annual report

1 January - 31 December 2021

The annual report has been submitted and approved by the general meeting on the 12 July 2022.

Peter Hald Appel
Chairman of the meeting

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Liquidator's statement

Today, the Liquidator has approved the annual report of Hafnia Management A/S under frivillig likvidation for the financial year 1 January - 31 December 2021.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the 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.

Further, in my opinion, the Liquidator's review gives a true and fair review of the matters discussed in the Liquidator's review.

We recommend that the annual report be approved at the Annual General Meeting.

Hellerup, 11 July 2022

Liquidator

Peter Hald Appel

Independent auditor's report

To the Shareholders of Hafnia Management A/S under frivillig likvidation

Opinion

We have audited the financial statements of Hafnia Management A/S under frivillig likvidation 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, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 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 (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Liquidator's Responsibilities for the Financial Statements

Liquidator 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 Liquidator determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Liquidator.

- 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 Liquidator's Review
Liquidator is responsible for Liquidator's Review.

Our opinion on the financial statements does not cover Liquidator's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Liquidator's Review and, in doing so, consider whether Liquidator's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Liquidator's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Liquidator's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Liquidator's Review.

Copenhagen, 11 July 2022

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted
State Authorised Public Accountant
mne10678

Company information

The company	Hafnia Management A/S under frivillig likvidation Hans Bekkevolds Alle 7 2900 Hellerup	
	Web site	www.hafniamanagement.com
	Company reg. no.	32 66 62 21
	Established:	1 January 2010
	Domicile:	Hellerup
	Financial year:	1 January - 31 December
	Commencement of the liquidation procedure:	31 December 2020
	The three-month time limit has expired:	31 March 2021
Liquidator	Peter Hald Appel	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K	
Subsidiaries	Hafnia Handy Pool Management ApS under frivillig likvidation, Hellerup Hafnia MR Pool Management ApS under frivillig likvidation, Hellerup Hafnia Bunkers ApS under frivillig likvidation, Hellerup Hafnia Management Corp., Texas, USA	

The principal activities of the company

The company's principal activities were commercial activities within the product tankers markets. Hafnia Management A/S specialises in the segments ranging from 35.000 to 110.000 dtw.

The company's activities have been sold effectively from 31 May 2019. As of the balance sheet date the company is without commercial actitvities.

Unusual circumstances

None.

Uncertainties about recognition or measurement

None.

Development in activities and financial matters

The gross loss for the year totals DKK -1,3m against DKK -0,2m last year. Income from ordinary activities after tax totals DKK 1,9m against DKK 8,0m last year. Management considers the net profit for the year satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2021	2020
	Gross loss	**-1.283.552**	**-157.525**
	Income from investments in subsidiaries	1.939.441	9.736.091
	Other financial income from subsidiaries	0	7.922
	Other financial income	1.996.238	316.880
	Other financial expenses	-789.738	-1.913.846
	Pre-tax net profit or loss	**1.862.389**	**7.989.522**
	Tax on net profit or loss for the year	432	3.282
	Net profit or loss for the year	**1.862.821**	**7.992.804**
	Proposed appropriation of net profit:		
	Reserves for net revaluation according to the equity method	1.939.442	9.736.091
	Allocated from retained earnings	-76.621	-1.743.287
	Total allocations and transfers	**1.862.821**	**7.992.804**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2021	2020
	Non-current assets		
2	Investments in subsidiaries	12.918.725	9.891.091
	Total investments	12.918.725	9.891.091
	Total non-current assets	**12.918.725**	**9.891.091**
	Current assets		
	Receivables from subsidiaries	2.160	51
	Income tax receivables	432	2.156
	Other receivables	82.299	4.188
	Total receivables	84.891	6.395
	Cash and cash equivalents	18.152.878	17.328.804
	Total current assets	**18.237.769**	**17.335.199**
	Total assets	**31.156.494**	**27.226.290**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2021	2020
	Equity		
	Contributed capital	500.000	500.000
	Reserve for net revaluation according to the equity method	12.724.803	9.736.091
	Retained earnings	16.852.080	16.928.701
	Total equity	**30.076.883**	**27.164.792**
	Liabilities other than provisions		
	Bank loans	239	0
	Trade payables	4.725	48.080
	Payables to subsidiaries	1.074.647	51
	Other payables	0	13.367
	Total short term liabilities other than provisions	1.079.611	61.498
	Total liabilities other than provisions	**1.079.611**	**61.498**
	Total equity and liabilities	**31.156.494**	**27.226.290**

1 Uncertainties concerning recognition and measurement

3 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for net revalua-tion according to the eq-uity method	Retained earnings	Total
Equity 1 January 2020	500.000	0	18.671.988	19.171.988
Share of profit or loss	0	9.736.091	-1.743.287	7.992.804
Equity 1 January 2021	500.000	9.736.091	16.928.701	27.164.792
Share of profit or loss	0	1.939.442	-76.621	1.862.821
Foreign currency translation adjustments	0	1.049.270	0	1.049.270
	500.000	**12.724.803**	**16.852.080**	**30.076.883**

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

The company has entered into liquidation and, as a result, the financial statements will be presented in accordance with the realisation principle.

	31/12 2021	31/12 2020
2. Investments in subsidiaries		
Cost 1 January	155.000	155.000
Additions during the year	38.922	0
Cost 31 December	**193.922**	**155.000**
Revaluations, opening balance 1 January	9.736.091	0
Correction of previous revaluations	2.028.706	9.731.007
Translation at the exchange rate at the balance sheet date	1.049.270	0
Net profit or loss for the year before amortisation of goodwill	-89.264	5.084
Revaluation 31 December	**12.724.803**	**9.736.091**
Carrying amount, 31 December	**12.918.725**	**9.891.091**

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	**Equity**	**Results for the year**	**Carrying amount, Hafnia Management A/S under frivillig likvidation**
Hafnia Handy Pool Management ApS under frivillig likvidation, Hellerup	100 %	2.232.948	-23.993	2.232.948
Hafnia MR Pool Management ApS under frivillig likvidation, Hellerup	100 %	4.083.504	-17.166	4.083.504
Hafnia Bunkers ApS under frivillig likvidation, Hellerup	100 %	4.577.175	-5.575	4.577.175
Hafnia Management Corp., Texas, USA	100 %	2.025.098	-42.531	2.025.098
		12.918.725	**-89.265**	**12.918.725**

All amounts in DKK.

3. Contingencies

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and, as from the financial year 2012, is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

As from 1 July 2012, theThe company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The total tax payable under the joint taxation scheme totals DKK 0.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

The annual report for Hafnia Management A/S under frivillig likvidation has been presented in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B enterprises with the modifications caused by the liquidation.

Restatement of comparatives has not been possible and, consequently, the comparative figures are not comparable.

The most significant modifications resulting from the liquidation

Assets and equity and liabilities have been measured at realisable values. As a result of the liquidation, all assets have been recognised under current assets whereas all liabilities other than provisions are recognised as short-term payables.

Consequently, the measurements of assets and equity and liabilities are not comparable with last year's measurements.

All value adjustments of assets and equity and liabilities and any operating items in connection with the commencement of the liquidation have been recognised in the income statement, including staff commitments arising from dismissal, liquidator and auditor fees, and other fees relative to the liquidation.

Except for the changes mentioned above, the accounting policies are unchanged from previous years.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or writedown for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross loss

Gross loss comprises external costs.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual subsidiaries are recognised in the income statement as a proportional share of the subsidiaries' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterpriseswith a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in subsidiaries but are not represented in the parent, the following accounting policies have been applied.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Income tax and deferred tax

As administration company, Hafnia Management A/S under frivillig likvidation is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Peter Hald Appel

Som Likvidator
PID: 9208-2002-2-255432484231
Tidspunkt for underskrift: 12-07-2022 kl.: 09:32:14
Underskrevet med NemID

NEM ID

Iver Haugsted

Som Revisor
På vegne af CHRISTENSEN KJÆRULFF, STATSAUTORI...
RID: 1127991245060
Tidspunkt for underskrift: 12-07-2022 kl.: 09:36:11
Underskrevet med NemID

NEM ID

Peter Hald Appel

Som Dirigent
PID: 9208-2002-2-255432484231
Tidspunkt for underskrift: 12-07-2022 kl.: 09:42:08
Underskrevet med NemID

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