CHRISTENSEN
KJÆRULFF
PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Hafnia Management A/S under frivillig likvidation

Tuborg Boulevard 5, 2900 Hellerup

Company reg. no. 32 66 62 21

Annual report

1 January - 31 December 2020

The annual report has been submitted and approved by the general meeting on the 1 March 2021.

Jens Vandborg Mathiasen
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 report

Today, the liquidator has presented the annual report of Hafnia Management A/S under frivillig likvidation for the financial year 1 January - 31 December 2020.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

I am of the opinion that the liquidator's report presents a fair account of the issues dealt with.

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

Hellerup, 1 March 2021

Liquidator

Jens Vandborg Mathiasen

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 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the financial statements

Liquidator is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Liquidator is also responsible for such internal control as the management 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the liquidator commentary
Liquidator is responsible for the liquidator commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

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

Based on the work we have performed, we believe that liquidator commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the liquidator commentary.

Copenhagen, 1 March 2021

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 Tuborg Boulevard 5 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
Liquidator	Jens Vandborg Mathiasen	
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	

The principal activities of the company

The company's principal activities consist of 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 effectivly from 31 May 2019. As of the balance 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 -0,2m against DKK 39,3m last year. Income or loss from ordinary activities after tax totals DKK 8,0m against DKK 24,3m last year. Management considers the net profit or loss for the year as expected.

The management has decided to measure the equity investments in group enterprises at equity value as a result of the liquidation. The result of the year has been affected by a value adjustment concerning results from previous years in the investments in group enterprises of DKK 9.736.091.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2020	2019
	Gross loss	**-157.525**	**39.278.485**
3	Staff costs	0	-18.592.305
	Depreciation and impairment of property, land, and equipment	0	-308.338
	Income from equity investments in group enterprises	9.736.091	7.673.242
	Other financial income from group enterprises	7.922	17.618
	Other financial income	316.880	9.044.804
	Other financial costs	-1.913.846	-8.176.322
	Pre-tax net profit or loss	**7.989.522**	**28.937.184**
	Tax on net profit or loss for the year	3.282	-4.669.334
	Net profit or loss for the year	**7.992.804**	**24.267.850**
	Proposed appropriation of net profit:		
	Extraordinary dividend adopted during the financial year	0	23.000.000
	Reserves for net revaluation according to the equity method	9.736.091	0
	Transferred to retained earnings	0	1.267.850
	Allocated from retained earnings	-1.743.287	0
	Total allocations and transfers	**7.992.804**	**24.267.850**

Statement of financial position at 31 December

All amounts in DKK.

Note	Assets	2020	2019
	Non-current assets		
4	Equity investments in group enterprises	9.891.091	155.000
	Total investments	9.891.091	155.000
	Total non-current assets	**9.891.091**	**155.000**
	Current assets		
	Receivables from group enterprises	0	1.606.311
	Income tax receivables	2.156	3.204.380
	Other receivables	4.188	68.914.323
	Total receivables	6.344	73.725.014
	Cash on hand and demand deposits	17.328.805	14.039.608
	Total current assets	**17.335.149**	**87.764.622**
	Total assets	**27.226.240**	**87.919.622**

Statement of financial position at 31 December

All amounts in DKK.

Note	Equity and liabilities	2020	2019
	Equity		
	Contributed capital	500.000	500.000
	Reserves for net revaluation as per the equity method	9.736.091	0
	Retained earnings	16.928.701	18.671.988
	Total equity	**27.164.792**	**19.171.988**
	Liabilities other than provisions		
	Bank loans	0	68.670.079
	Trade payables	48.081	77.555
	Other payables	13.367	0
	Total short term liabilities other than provisions	61.448	68.747.634
	Total liabilities other than provisions	**61.448**	**68.747.634**
	Total equity and liabilities	**27.226.240**	**87.919.622**

1 Uncertainties concerning recognition and measurement

2 Special items

5 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for net revaluation according to the equity method	Retained earnings	Total
Equity 1 January 2019	500.000	0	17.404.138	17.904.138
Share of results	0	0	1.267.850	1.267.850
Extraordinary dividend adopted during the financial year	0	0	23.000.000	23.000.000
Distributed extraordinary dividend adopted during the financial year.	0	0	-23.000.000	-23.000.000
Equity 1 January 2020	500.000	0	18.671.988	19.171.988
Share of results	0	9.736.091	-1.743.287	7.992.804
	500.000	**9.736.091**	**16.928.701**	**27.164.792**

Notes

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.

2. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

As mentioned in the management commentary, the net profit or loss for the year is affected by a number of factors that differ from what is considered by management to be part of operating activities.

Special items for the year are specified below, indicating where they are recognised in the income statement.

	2020	2019
Income:		
Sale of activity	0	20.925.992
	0	20.925.992
Special items are recognised in the following items in the financial statements:		
Other operating income	0	20.925.992
Profit of special items, net	**0**	**20.925.992**

3. Staff costs

Salaries and wages	0	17.094.352
Pension costs	0	1.319.497
Other costs for social security	0	49.039
Other staff costs	0	129.417
	0	**18.592.305**
Average number of employees	0	22

All amounts in DKK.

		31/12 2020	31/12 2019
4.	**Equity investments in group enterprises**		
	Acquisition sum, opening balance 1 January	155.000	213.638
	Disposals during the year	0	-58.638
	Cost 31 December	**155.000**	**155.000**
	Adjustment of previous revaluations	9.731.007	0
	Results for the year before goodwill amortisation	5.084	0
	Revaluation 31 December	**9.736.091**	**0**
	Carrying amount, 31 December	**9.891.091**	**155.000**

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 %	2.040.478	4.071	2.040.478
Hafnia MR Pool Management ApS under frivillig likvidation, Hellerup	100 %	3.707.384	-1.882	3.707.384
Hafnia Bunkers ApS under frivillig likvidation, Hellerup	100 %	4.143.229	2.895	4.143.229
		9.891.091	**5.084**	**9.891.091**

5. 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.

All amounts in DKK.

5. Contingencies (continued)

Joint taxation (continued)

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.

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 the revenue and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

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

Other external costs comprise costs incurred for administration.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

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 equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement as a proportional share of the group enterprises' 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 group enterprises 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

Equity in group enterprises

Equity in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Equity in group enterprises 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.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises 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 group enterprises.

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 on hand and demand deposits

Cash on hand and demand deposits 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.

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"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Jens Vandborg Mathiasen
Likvidator
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2021-03-07 08:30:10Z
NEM ID

Iver Haugsted
Statsautoriseret revisor
På vegne af: CHRISTENSEN KJÆRULFF STATSAUTORISERET R...
Serienummer: PID:9208-2002-2-869396164055
IP: 62.198.xxx.xxx
2021-03-07 09:15:40Z
NEM ID

Jens Vandborg Mathiasen
Dirigent
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IP: 185.58.xxx.xxx
2021-03-09 13:15:28Z
NEM ID