2021

Annual Report
Ultranav Denmark ApS

Ultranav Denmark ApS
Smakkedalen 6, 2820 Gentofte, Denmark
CVR.no. 32 94 95 41

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ULTRANAV DENMARK AT A GLANCE

MAIN ACTIVITIES

Ultranav Denmark ApS is the holding company for the activities in Ultrabulk A/S Group, Ultranav Business Support ApS and Ultratank Shipping ApS, in the following collectively referred to as "the Group".

The main activities of the Group are ship operating activities with a main focus on dry bulk activities within the Panamax, Supramax, Handysize, MPP and Parcel segments. These activities are mainly carried out through the subsidiary Ultrabulk A/S.

Ultranav Denmark ApS is a subsidiary of Naviera Ultranav Dos Limitada, Santiago, Chile.

Vision statement

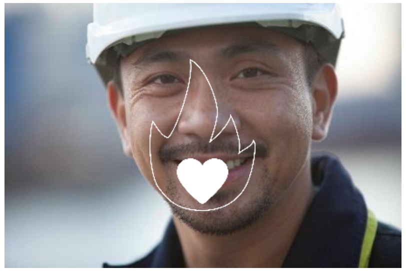
We aspire to build and operate the best platform of shipping services for the development and success of our clients, employees and communities.

A PARTNER YOU CAN TRUST

Core Values

Excellence

We constantly measure, analyse and adjust in order to enhance quality.



Passion

We address challenges with passion and positive commitment.

Integrity

We are committed to being reliable, trustworthy, and dependable.

Safety

We are committed to developing and stimulating a safe working culture onboard ships and ashore.

ULTRABULK

Ultrabulk is a global dry bulk operator, servicing its customers in their maritime transportation needs in the Panamax, Supramax, Handysize, MPP and Parcel Service segments.

Ultrabulk is headquartered in Gentofte, just outside Copenhagen, Denmark. Via the Ultranav Group, it has strong connections to South America and Chile in particular, but also has a long tradition in Danish shipping with roots dating back to 1897 and "Rederiet Myren", which was originally part of the more commonly known East Asiatic Company (EAC).

Customers are served from eight offices strategically located around the world. The geographical spread of offices enables Ultrabulk to serve its partners in their own time zone in relation to Chartering as well as Operation. Each office is empowered with adequate authority to make the right business decisions in a quick and efficient manner.

Ultrabulk aspires to build and operate the best platform of shipping services for the development and success of our customers, employees and communities.

Long-term partnerships with close customers combined with a freight trading approach are the core of its business. Ultrabulk combines an asset light business model with a strong focus on risk management.

Ultrabulk also operates in several specialised parcel services with substantial synergies to our core business. It is a strategic focus to continue developing additional specialised trades as they are very important elements in future growth of the fleet.

Continued investments in improving market surveillance and voyage optimisation systems will support the business development process going forward, especially in relation to efforts to optimise the balance between cargo contracts and tonnage commitments.

With its balanced book, solid balance sheet and as part of a strong shipping group, Ultrabulk is confident that it will be able to consolidate its position further as a preferred counterpart, and to actively pursue the opportunities which will arise under prevailing market conditions.

MPP
Up to 25,000 dwt - Up to 15 vessels

Handysize
25,000-45,000 dwt - Up to 60 vessels

Supramax
45,000-65,000 dwt - Up to 70 vessels

Panamax
65,000-85,000 dwt - Up to 45 vessels

Total fleet: 160 to 190 vessels

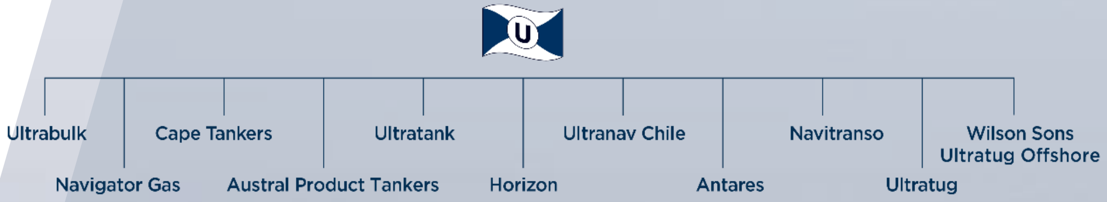
PART OF A LARGE AND DIVERSIFIED SHIPPING GROUP

Ultranav Denmark ApS, is part of the Ultranav Group, a privately owned shipping company active for over six decades and operating globally with offices in 14 countries.

We aspire to be a partner you can trust who provides efficient and safe maritime transportation services to the mutual benefit of our customers, employees, communities and the environment.

Through eleven business units, Ultranav Group operates in five market segments: oil, gas, dry bulk, coastal trades, and towage & offshore. Ultranav operates a fleet of gas and chemical carriers, tankers for crude oil and clean petroleum products, bulk carriers, feeder container ships, multipurpose vessels, harbour tugs, PSVs, AHTS, pusher tugs, barges and pilot boats.

As of 31 December 2021, Ultranav counts 3,982 employees (sea and shore) and operates a fleet of 409 ocean going vessels and tugs.



Number of vessels and tugs in our fleet Total: **409**

100	Tankers
21	MPP and containers
3	Gas carriers
179	Dry Cargo
68	Harbour tugs
23	PSV
4	AHTS
3	Pusher tugs
5	Barges
3	Pilot/Crew/Work boats

A partner you can trust

GROUP KEY FIGURES AND RATIOS

INCOME STATEMENT (USD '000)	2021	2020	[A], [B]2019	[A], [B]2018	[A], [B]2017
Revenue	1,764,137	900,939	1,121,982	1,165,948	1,000,580
Gross profit (Net earnings from shipping activities)	259,724	142,032	43,088	45,856	8,543
Operating profit before depreciation, amortization and impairment loss (EBITDA)	224,985	119,336	9,272	12,532	-19,837
Operating profit (EBIT)	83,856	-7,973	-3,348	3,958	-30,956
Net financials	-11,861	-11,436	-2,205	-1,490	634
Profit before tax	71,620	-20,054	-6,864	2,530	-30,016
Net result of continuing operations	69,851	-22,580	-	-	-
Net result of discontinuing operations	18,649	-6,321	-	-	-
Net result	88,500	-28,901	-8,402	2,458	-31,559

STATEMENT OF FINANCIAL POSITION (USD '000)					
Non-current assets	451,678	612,567	113,378	138,326	129,349
Current assets	373,857	228,899	214,148	206,812	202,532
Total assets	825,535	841,466	327,526	345,137	331,880
Equity, incl. non-controlling interests	242,214	163,732	190,812	192,944	195,636
Non-controlling interests	5,872	4,110	5,385	5,197	5,356
Non-current liabilities	277,238	406,633	30,249	51,673	40,496
Current liabilities	306,084	271,101	106,464	100,519	95,747
Net interest-bearing (liabilities)/assets, including leases	-103,782	-464,452	-	-	-
Net interest-bearing (liabilities)/assets, excluding leases	137,761	58,886	-	-	-
Cash and cash equivalents, including restricted cash	136,073	82,857	94,276	80,304	83,316

CASH FLOW (USD '000)					
From operating activities	223,507	166,353	18,853	6,370	-32,708
From investing activities	-140,836	2,733	13,277	-16,826	-19,525
- of which relates to investment in tangible assets	-1,008	-19,481	-26,056	-43,516	-20,266
From financing activities	-55,447	-184,553	-18,158	7,443	37,515
Total net cash flow	27,224	-15,467	13,972	-3,013	-14,718
Change in restricted cash	-25,992	-4,048	-280	-400	-11,500
Total net cash flow, excluding changes in restricted cash	53,216	-11,419	14,252	2,613	-3,218

FINANCIAL RATIOS					
Gross profit margin (Net earnings from shipping activities margin)	14.7%	15.8%	3.8%	3.9%	0.9%
EBITDA margin	12.8%	13.2%	1.9%	1.1%	0.0%
Return on equity (ROE)[C]	34.4%	-13.9%	-4.4%	1.3%	-16.1%
Equity ratio[C]	29.3%	19.5%	58.3%	55.9%	58.9%

[A] Comparative figures in the profit and loss have not been adjusted, to classify the divestment of Ultragas as discontinued operations.
[B] The Group has adopted IFRS as of 01.01.2020. Comparative figures have not been restated, and remain in accordance with DK GAAP.
[C] The Return on Equity has been calculated basis continuing operations for 2021 and 2020, and net result for 2019 and previous years.

FINANCIAL REVIEW

2021 FINANCIAL PERFORMANCE

Results

The Consolidated Financial Statements, for the year ended 31 December 2021, are the first set of Financial Statements that the Group has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2020, Ultranav Denmark ApS prepared its consolidated financial statements in accordance with the Danish Financial Statements Act. Reference is made to note 1.3 of the consolidated financial statements. The effect on equity at 31 December 2020 was a loss of USD 1.3 million while profit and loss for 2020 is impacted by additional income of USD 3.0 million.

Revenues increased to USD 1,764.1 million, which was almost twofold higher than last year's revenue (USD 900.9 million). The increase in revenues was linked to an increase in the average fleet size and favourable market conditions in 2021.

Gross profit increased to USD 259.7 million corresponding to a gross margin of 14.7%, against 15.8% in 2020.

EBITDA grew to USD 225.0 million (USD 119.3 million in 2020), corresponding to an EBITDA margin of 12.8% (13.2% in 2020).

Depreciations amounted to USD 144.2 million (USD 121.6 million in 2020), mainly related to depreciation on right-of-use assets and own vessels.

Gain from sale of vessels amounted to USD 3.0 million driven by the sale of one vessel.

Financial items amounted to a net expense of USD 11.9 million (net expense of USD 11.4 million in 2020). The majority of financial expenses relate to interest expenses on lease liabilities.

Income tax amounted to USD 1.7 million and consist primarily of tax expenses under The Danish Tonnage Tax scheme.

Net result from continued operations amounted to a profit of USD 69.9 million (loss of USD 22.6 million in 2020), which is significantly above the expectations set out last year. The profit is related to the favourable market conditions and strong positioning gains. The net result from discontinued operations amounted to a profit of USD 18.6 million (loss of USD 6.3 million), driven by improved earnings and a gain from divestment.

The net result for the year amounted to a profit of USD 88.5 million (loss of 28.9 million) which exceeded the expectations for the year.

Balance Sheet

Total assets decreased to USD 825.5 million, against USD 841.5 million in 2020.

Non-current assets totalled USD 451.7 million (USD 612.6 million in 2020) of which USD 228.7 million was Right-of-use assets and vessels (USD 535.7 million in 2020). The decrease from 2020 was primarily driven by the divestment of Ultragas ApS.

Current assets increased to USD 373.9 million at the end of 2021 of which cash, including restricted cash, amounted USD 136.1 million (USD 82.9 million at the end 2020).

Total liabilities amounted to USD 583.3 million compared to USD 677.7 million in 2020. The main part of the liabilities comprised of lease liabilities which amounted to USD 253.9 million at the end of 2021 (USD 548.6 million at the end of 2020), as well as interest bearing loans of USD 159.9 million at the end of 2021 (USD 29.4 million at the end of 2020). The decrease from 2020 was primarily driven by the divestment of Ultragas ApS offset by raising of new loans.

Total equity increased to USD 242.2 million from USD 163.7 million in 2020, driven by profit for the year of USD 88.5 million, which was only partly offset by other comprehensive loss of USD 10.0 million.

Return on equity was 34.4% (-13.9% in 2020) and equity ratio was 29.3% at the end of 2021 (19.5% at the end of 2020).

The Board of Directors has not proposed to pay any ordinary dividend for the year.

Cash flow

The cash flow for the year, excluding restricted cash, netted at an inflow of USD 53.2 million against an outflow of USD 11.4 million last year.

Cash flow from operating activities were an inflow of USD 223.5 million (USD 166.4 million in 2020), mainly related to cash generated from the shipping activities.

Cash flow from investing activities was an outflow of USD 140.8 million (inflow of USD 2.7 million in 2020) which comprise a loan issued to a related company as well as an increase in restricted cash deposited at clearing houses. The outflow were only partly offset by sale of a vessel.

Cash flow from financing activities was an outflow of USD 55.4 million (outflow of USD 184.6 million in 2020) and is mainly related to repayment of lease liabilities (USD -168.7 million) and vessel loans (USD -20.0 million), partly offset by raising a loan from financial institutions (USD 150.0 million).

Successful merger of the Gas Business Activities

In August 2021, Ultranav Denmark ApS successfully completed the merger of the Ultragas fleet which was acquired by Navigator Holdings Ltd. The transaction united two leading gas shipping companies, to create the segment leader in Handysize gas carriers with a combined fleet of 56 vessels. The transaction was designated as a share by share deal, where Ultranav Denmark ApS divested its shares in Ultragas ApS to Navigator Holdings Ltd. in exchange of new shares in Navigator Holdings Ltd. Reference is made to note 2.5 of the consolidated financial statements.

Outlook

Based on the Company's current coverage, and the expected market conditions, the Group expects another strong year with net profit in the range of USD 40-80 million.

OUR BUSINESS

SUSTAINABILITY

The time to act is now! Ultranav takes its responsibility for the environment very seriously and we are committed to reduce emissions and support the development of zero emission vessels in the global fleet.

Worldwide focus on the climate is intensifying rapidly. According to IMO, shipping accounts for 80% of the world trade and 2.5% of global greenhouse gas emissions ("GHG"), and as such the industry has a significant impact on the environment and the climate. The shipping industry has an important role to play on the road to a sustainable future.

Conscious care of the environment starts by managing the operational impacts. The Group strives towards having the smallest effect possible on the environment.

In 2021, the Group has further invested in online monitoring, increased the number of shore based staff allocated to performance optimisation, and invested in optimisation software, ensuring cargo is being transported in the most efficient and environmentally friendly way by reducing total bunker consumption.

The Group is working on a project to improve auxiliary consumption as well, both at sea and in port. The project will continue in 2022 where we aim to broaden the scope.

We continue to support the development of a non-fossil fuel for the IMO 2050 goal incl. understanding the commercial impacts of using such a fuel.

We will continue to focus on speed by increasing usage of our speed calculation tool and by creating awareness with shipowners on the need of super slow steaming, allowing us to navigate using only 10-15 % of MCR.

Decarbonisation strategy

The IMO has defined the GHG Strategy to reduce the carbon footprint of international shipping. Ultranav has set the goal of exceeding the ambition of the IMO GHG strategy, which is to reduce the CO_2 intensity by 40% in 2030 and total emissions by 50% in 2050. This goal has been formalised in the Ultranav Decarbonisation Strategy.

The strategy is the framework for ongoing and future initiatives within eight interconnected pillars that will navigate us into a lower emission future.

Reporting

Ultranav Denmark ApS reports on all CSR relevant activities according to the requirements in the Danish Financial Statements Act §99a. The reporting covers all companies of Ultranav Denmark ApS available on our website:

Ultrabulk.com/sustainability

CORPORATE GOVERNANCE

The Board of Directors and Executive Management of Ultranav Denmark are convinced that efficient and clear division of responsibilities as well as transparent decision-making processes are prerequisites of a Company's long-term value creation. Ultranav Denmark therefore reviews at least annually the Company's corporate governance practices and principles in accordance with legislation, customs and recommendations. As part of this process, the Board and Executive Management review the Company's strategy, organisation, business processes, risks, control mechanisms and relations with its shareholders, customers, employees and other stakeholders.

Remuneration of Board of Directors

The Board of Directors has refrained from receiving any compensation for their work in 2021, unchanged from 2020. In 2022, the members of the Board of Directors will also refrain from receiving any compensation for their work. If the Company activities require a temporary, but extraordinary workload by the Board, a fee may be authorised. The members of the Board receive no incentive pay for their work on the Board.

Remuneration of Executive Management

The CEO, who is the only member of the Executive Management, is employed under an executive service contract, and all terms are fixed by the Board of Directors. The CEO receives a competitive remuneration package consisting of a fixed salary, benefits such as company phone, and an incentive payment in terms of cash bonus. Performance criteria for the cash bonus is tied to earnings and business targets.

Gender composition

Statement on gender composition in management, cf Danish Financial statements Act 99 b
according to the requirements in Danish Financial Statement Act § 99b, Ultranav must report on gender composition in the management. Ultranav applies a policy stating that gender composition of management shall reflect the gender balance of society as a whole – with due regard to the specific conditions in the shipping business.
Both genders are represented in management (Head of area and higher) since early 2015, however not with equal representation. The representation of women in the management team has not increased in 2021 and the aim is to increase the female representation in the coming years.

Ultranav Denmark policy states and ensures equal career opportunities for men and women and is actively used as a tool for recruiting and working with both genders, and equality in general. In the recruiting processes, it is the target to have both genders presented in the final stage of selection.

With regards to the composition of Board of Directors, a target was set in 2020 to appoint at least one female member within four years from setting this ambition, which is by the end of 2024. No female member was appointed to the Board of Directors in 2021, primarily caused by the female representation in the shipping industry in general, but we will continue to work towards reaching this ambition before the end of 2024.

The Board of Directors comprises of four male members at the end of 2021.

Data ethics

Ultranav has evaluated if it is relevant to prepare a policy for data ethics. Ultranav does only enter into business with B2B customers and therefore, to a limited extend, collects and processes data. Ultranav has not prepared a data ethics policy, but all information we receive related to customers, vendors and employees are treated in a responsible manner that secure that the data cannot be accessed by unauthorised persons.

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SIGNATURES

STATEMENT BY THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The Board of Directors and the Executive Management have today considered and approved the Annual Report 2021 of Ultranav Denmark ApS.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further disclosure requirements according to the Danish Financial Statements Act. The financial statements of the Parent Company have been prepared in accordance with the Danish Financial Statements Act.

We consider the accounting policies appropriate and the accounting estimates made reasonable, and in our opinion the Consolidated Financial Statements and the financial statements of the Parent Company provide the relevant information for assessing the financial position of the Group and the Parent Company. In our opinion the Consolidated Financial Statements and the financial statements of the Parent Company give a true and fair view of the assets, liabilities and financial position of the Group and the Parent Company, the results of the Group's and the Parent Company's operations and the Group's cash flows for the period 1 January - 31 December 2021.

In our opinion the Management's review in the preceding pages gives a true and fair presentation of the development in the activities and the financial position of the Group and the Parent Company, the results for the year and of the Group's and the Parent Company's financial position in general. Further, in our opinion the Management's review describes the most significant risks and uncertainties that may affect the Group and the Parent Company.

We recommend that the Annual Report be adopted at the annual general meeting.

Copenhagen, 1st April 2022
EXECUTIVE MANAGEMENT

Per Lange
Chief Executive Officer

BOARD OF DIRECTORS

Dag von Appen Chairman	Per von Appen Board Member	Enrique Ide Board Member	Carsten Haagensen Board Member

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Ultranav Denmark ApS.

Opinion

We have audited The Consolidated Financial Statements and The Parent Company Financial Statements of Ultranav Denmark ApS for the financial year 1 January – 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies for the Group and the Parent Company, and a consolidated statement of comprehensive income and a consolidated cash flow statement. The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and The Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, The Consolidated Financial Statements give a true and fair view of the financial position of the Group at 31 December 2021 and of the results of the Group's operations and cash flows for the financial year 1 January – 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Further, in our opinion, The Parent Company Financial Statements give a true and fair view of the financial position of the Parent Company at 31 December 2021 and of the results of the Parent 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 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 Company Financial Statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on The Consolidated Financial Statements and The Parent Company Financial Statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

In connection with our audit of The Consolidated Financial Statements and The Parent Company Financial Statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with The Consolidated Financial Statements and The Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Based on the work we have performed, we concluded that the Management's review is in accordance with The Consolidated Financial Statements and The Parent Company 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's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for the preparation of Parent Company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act.

Moreover, Management is responsible for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and The Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing The Consolidated Financial Statements and The Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent 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 Group or the Parent 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 as to whether The Consolidated Financial Statements and The Parent Company Financial Statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ► Identify and assess the risk of material misstatement of The Consolidated Financial Statements and The Parent Company 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 Company's internal control.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

- 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 Company 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 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 Consolidated Financial Statements and The Parent Company 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 Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of The Consolidated Financial Statements and The Parent Company Financial Statements, including the note disclosures, and whether The Consolidated Financial Statements and The Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient and 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.

Copenhagen, 1st April 2022
EY
Godkendt Revisionspartnerskab
CVR no. 30 70 02 28

Thomas Bruun Kofoed	Tommy Borggaard Nielsen
State Authorised Public Accountant	State Authorised Public Accountant
MNE no. 28677	MNE no. 34340

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

PROFIT OR LOSS

1 JANUARY – 31 DECEMBER

USD thousands	Note	2021	2020
Revenue	2.1	1,764,137	900,939
Vessel operating costs and voyage related expenses	2.2	-1,504,413	-758,907
Gross profit (Net earnings from shipping activities)		259,724	142,032
Other external expenses	6.2	-5,743	-5,610
Staff costs	2.3, 6.1	-28,996	-17,086
Operating profit before depreciation (EBITDA)		224,985	119,336
Depreciation	3.4	-144,177	-121,563
Impairment loss on vessels	3.2	-	-2,910
Gain/(loss) from sale of vessels, net	3.2	3,000	4,252
Share of Joint Ventures' profit after tax	3.6	48	-7,088
Operating profit (EBIT)		83,856	-7,973
Share of associates' profit after tax	3.5	-375	-645
Financial income	5.1	706	4,990
Financial expenses	5.1	-12,567	-16,426
Profit/loss before tax		71,620	-20,054
Tax	2.4	-1,769	-2,526
Profit/loss for the period – continuing operations		**69,851**	**-22,580**
Profit/loss for the period – discontinuing operations	2.5	18,649	-6,321
Profit/loss for the period		**88,500**	**-28,901**

Attributable to		
Equity holders of the parent	86,452	-28,576
Non-controlling interests	2,048	-325
Total Profit/loss for the period	**88,500**	**-28,901**

STATEMENT OF OTHER COMPREHENSIVE INCOME

1 JANUARY – 31 DECEMBER

USD thousands	Note	2021	2020
Profit/loss for the period		88,500	-28,901
Items that will be reclassified subsequently to the Consolidated Profit or Loss when specific conditions are met:			
Cash flow hedges, deferred gains/losses for the year	5.6	-10,018	3,007
Exchange gain/loss reclassified to share of associates' profit after tax	3.5	-	729
Other items		-	-353
Other comprehensive income, net of tax		-10,018	3,383
Total comprehensive income		**78,482**	**-25,518**

Attributable to:		
Equity holders of the parent	76,720	-25,015
Non-controlling interests	1,762	-503
Total comprehensive income	**78,482**	**-25,518**

CONSOLIDATED BALANCE SHEET

ASSETS

USD thousands	Note	2021	2020	1st January 2020
Goodwill & contractual rights	3.1	32,516	36,780	41,355
Vessels & right-of-use assets	3.2	228,682	535,744	625,771
Fixtures, fittings, and equipment	3.2	959	731	814
Intangible & Tangible assets		262,157	573,255	667,940
Investments in listed shares		7,645	-	-
Investments in Joint Ventures & Associates	3.5, 3.6	18,613	20,351	27,310
Loans receivable from related companies	6.6	160,395	4,837	2,691
Derivative financial instruments	5.6	1,342	188	1,408
Receivable from subleases	2.1	1,243	13,550	25,836
Deposits		283	386	-
Financial assets, non-current		189,521	39,312	57,245
Total non-current assets		451,678	612,567	725,185
Inventories	4.2	35,133	19,851	29,804
Trade and other receivables	4.1	115,222	70,593	71,993
Receivables from related companies	4.1	57	1,285	1,216
Loans to related companies	4.1	1,200	612	348
Receivable from subleases	2.1	12,297	12,297	11,331
Prepayments	4.1	48,985	22,021	15,199
Derivative financial instruments	5.6	4,798	3,483	1,312
Cash and cash equivalents, incl. restricted cash	4.3	136,073	82,857	94,276
Assets classified as held for sale	3.3	20,092	15,900	5,630
Total current assets		373,857	228,899	231,109
TOTAL ASSETS		**825,535**	**841,466**	**956,294**

LIABILITIES

USD thousands	Note	2021	2020	1st January 2020
Share capital	6.8	20,577	20,577	20,577
Retained earnings		227,035	140,583	168,316
Other reserves		-11,270	-1,538	-4,270
Total equity of majority interests		236,342	159,622	184,623
Non-controlling interest		5,872	4,110	4,904
Total Equity		242,214	163,732	189,527
Interest bearing loans and borrowings	5.2	149,978	18,175	28,486
Lease liabilities	5.3	125,667	385,395	469,776
Derivative financial instruments	5.6	948	3,063	1,763
Deferred tax	2.4	645	-	-
Total non-current liabilities		277,238	406,633	500,025
Trade and other payables	4.4	147,838	88,103	87,948
Payables to related companies	4.4	3,052	4,501	8,412
Interest bearing loans and borrowings	5.2	9,929	11,245	3,699
Lease liabilities	5.3	128,216	163,167	160,278
Derivative financial instruments	5.6	15,569	2,273	5,430
Income tax payable		1,478	1,812	975
Total current liabilities		306,083	271,101	266,742
Total liabilities		583,321	677,734	766,767
TOTAL EQUITY AND LIABILITIES		**825,535**	**841,466**	**956,294**

CONSOLIDATED STATEMENT OF CASH FLOWS

Amount in USD thousands	Note	2021	2020
Profit/(loss) before tax – continuing operations		71,620	-20,054
Profit/(loss) before tax – discontinuing operations	2.5	18,649	-6,183
Instalments received from sub-lease receivables		12,308	11,070
Tax paid		-1,436	-2,294
Adjustment of other non-cash operating items	6.4	157,357	183,374
Change in working capital	6.5	-34,991	440
Net cash flows from operating activities		223,507	166,353
Dividends received		-	288
Investments in tangible assets		-1,008	-19,481
Sale of tangible assets		39,007	28,120
Loans to related companies		-156,008	-2,146
Divestment of subsidiaries and activities	2.5	3,165	-
Change in restricted cash	4.3	-25,992	-4,048
Net cash flow from investing activities		-140,836	2,733
Free cash flow		82,671	169,086
Dividends paid to equity minority holders		-	-290
Raising of loans from financial institutions, net of borrowing cost	6.6	149,978	-
Repayment of loans to financial institutions	6.6	-19,979	-3,699
Interest payments on loans to financial institutions		-1,057	-1,047
Repayment of lease liabilities	6.6	-168,743	-156,121
Interest payments on lease liabilities		-15,646	-23,396
Net cash flows from financing activities		-55,447	-184,553
Net change in cash and cash equivalents		**27,224**	**-15,467**
Cash and cash equivalents at 1 January		77,729	93,196
Net change in cash and cash equivalents		27,224	-15,467
Cash and cash equivalents at 31 December		104,953	77,729
Restricted cash	4.3	31,120	5,128
Cash and cash equivalents		104,953	77,729
Cash and cash equivalents, including restricted cash at 31 December		**136,073**	**82,857**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

USD thousands	Share capital	Cash flow hedge reserve	Retained earnings	Total	Non-controlling interests	Total equity
Equity as 1 January 2021	**20,577**	**-1,538**	**140,583**	**159,622**	**4,110**	**163,732**
Net result	-	-	86,452	**86,452**	2,048	**88,500**
Cash flow hedge	-	-9,732	-	**-9,732**	-286	**-10,018**
Tax of cash flow hedges	-	-	-	-	-	-
Foreign exchange adjustments on net investments in foreign operations	-	-	-	-	-	-
Other comprehensive income for the year	**-**	**-9,732**	**-**	**-9,732**	**-286**	**-10,018**
Total comprehensive income for the year	**-**	**-9,732**	**86,452**	**76,720**	**1,762**	**78,482**
Distributed dividend	-	-	-	-	-	-
Other transactions with shareholders	-	-	-	-	-	-
Transactions with shareholders	**-**	**-**	**-**	**-**	**-**	**-**
Equity as 31 December 2021	**20,577**	**-11,270**	**227,035**	**236,342**	**5,872**	**242,214**

USD thousands	Share capital	Cash flow hedge reserve	Retained earnings	Total	Non-controlling interests	Total equity
Equity as 1 January 2020	**20,577**	**-4,270**	**168,316**	**184,623**	**4,904**	**189,527**
Net result	-	-	-28,577	**-28,577**	-325	**-28,902**
Cash flow hedge	-	2,924	-	**2,924**	83	**3,007**
Tax of cash flow hedges	-	-	-	-	-	-
Foreign exchange adjustments on net investments in foreign operations	-	-	-	-	-	-
Other changes	-	-192	844	**652**	-262	**-390**
Other comprehensive income for the year	**-**	**2,732**	**844**	**3,576**	**-179**	**3,397**
Total comprehensive income for the year	**-**	**2,732**	**-27,733**	**-25,001**	**-504**	**-25,505**
Distributed dividend	-	-	-	-	-290	**-290**
Other transactions with shareholders	-	-	-	-	-	-
Transactions with shareholders	**-**	**-**	**-**	**-**	**-290**	**-290**
Equity as 31 December 2020	**20,577**	**-1,538**	**140,583**	**159,622**	**4,110**	**163,732**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SECTION 1: BASIS OF PREPARATION

1.1 Basis of reporting

1.2 Significant accounting judgements and estimates

1.3 First time adoption

1.1 BASIS OF REPORTING

§ GENERAL ACCOUNTING POLICIES

Ultranav Denmark ApS is a company domiciled in Denmark.

The Consolidated Financial Statements of Ultranav Denmark ApS for 2021 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

First-time adoption of IFRS

For all periods up to and including the year ended 31 December 2020, the Group prepared its financial statements in accordance with local generally accepted accounting principles (The Danish Financial Statements Act). The Consolidated Financial Statements for the year ended 31 December 2021 are the first set of Financial Statements that the Group has prepared in accordance with International Financial Reporting Standards (IFRS). Refererence is made to note 1.3 for information on how the Group adopted IFRS. The Consolidated Financial Statements was prepared in accordance with all IFRS standards effective at 31 December 2021, the transition date being 1 January 2020. The fiscal year for the Group is 1 January – 31 December. The Parent Company Financial Statements of Ultranav Denmark ApS will continue to be prepared in accordance with locally generally accepted accounting principles (The Danish Financial Statements Act).

Measurement basis

The Consolidated Financial Statements have been prepared on the historical cost basis except certain financial assets and liabilities. These financial assets and liabilities have been measured at fair value.

The Consolidated Financial Statements have been presented in USD thousands except when otherwise indicated. The DKK/USD rate applied at 31 December 2021 was 656.12 (2020: 605.76) and the average DKK/USD applied for the year was 629.18 (2020: 653.43).

Apart from the general accounting policies, which are summarised in this note, the Group's accounting policies are described in each of the individual notes to the Consolidated Financial Statements to which they relate.

The accounting policies, as described below and in the respective notes, have been used consistently in respect of the financial year and the comparative figures.

Accounting standards effective in 2021

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are either insiginificant or irrelevant to the Group. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. Management does not anticipate any significant impact on future periods from the adoption of these new amendments.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company Ultranav Denmark ApS and subsidiaries in which Ultranav Denmark ApS has control (the Group), i.e. the power to govern the financial and operating policies so as to obtain benefits from its activities. Control is obtained when the Company directly or indirectly holds more than 50% of the voting rights in the subsidiary or which it, in some other way, controls.

Enterprises over which the Group exercises significant influence, but which it does not control, are considered associates. Significant influence is generally obtained by direct or indirect ownership or control of more than 20% of the voting rights but less than 50%.

When assessing whether Ultranav Denmark ApS exercises control or significant influence, potential voting rights which are exercisable at the balance sheet date are taken into account.

1.1 BASIS OF REPORTING (CONTINUED)

§ GENERAL ACCOUNTING POLICIES

Basis of consolidation (continued)

The Consolidated Financial Statements has been prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements prepared according to the Group accounting policies.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated.

Unrealised gains on transactions with associates are eliminated in proportion to the Group's ownership share of the enterprise. Unrealised losses are eliminated in the same way as unrealised gains to the extent that impairment has not taken place.

The accounting items of subsidiaries are included in full in The Consolidated Financial Statements.

Non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets not held by Ultranav Denmark ApS and are presented separately in the income statement and within equity in the consolidated balance sheet, separately from the parent shareholders' equity. Initially the non-controlling interest is recognised based on their share of the fair value of the assets and liabilities acquired.

Foreign currency translation

For each of the reporting entities in the Group, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the reporting entity operates. Transactions denominated in other currencies than the functional currency are foreign currency transactions.

On initial recognition, foreign currency transactions are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange differences arising between the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rates at the balance sheet date.

The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised in the income statement as financial income or financial expenses.

In The Consolidated Financial Statements, the income statements of entities with another functional currency than USD are translated at the exchange rates at the transaction date and the balance sheet items are translated at the exchange rates at the balance sheet date.

An average exchange rate for each month is used as the transaction date exchange rate to the extent that this does not significantly distort the presentation of the underlying transactions.

Foreign exchange differences arising on translation of the opening balance of equity of such foreign operations at the exchange rates at the balance sheet date and on translation of the income statements from the exchange rates at the transaction date to the exchange rates at the balance sheet date are recognised in other comprehensive income and presented in equity under a separate translation reserve.

Applying materiality

The financial statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature or function. When aggregated, the transactions are presented in classes of similar items in the financial statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the financial statements or in the notes.

There are substantial disclosure requirements throughout IFRS. Management provides specific disclosures required by IFRS unless the information is considered immaterial to the economic decision-making of the users of these financial statements or not applicable.

1.1 BASIS OF REPORTING (CONTINUED)

§ GENERAL ACCOUNTING POLICIES

Statement of Cash Flows

The Statement of Cash Flows shows the cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated according to the indirect method as the profit/loss before tax adjusted for non-cash operating items, changes in working capital, interest payments, dividends and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of businesses and of intangible assets, property, plant, and equipment and other non-current assets as well as acquisition and disposal of securities not classified as cash and cash equivalents, along with movements in restricted cash.

Cash flows from financing activities comprise changes in the share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and leases, interest payments, acquisition and disposal of treasury shares and payment of dividends to shareholders.

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less at the acquisition date which are subject to an insignificant risk of changes in value.

Cash flows in other currencies than the functional currency are translated using average exchange rates unless these deviate significantly from the rate at the transaction date.

Statement of changes in equity

Dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The proposed dividend payment for the year is disclosed as a separate item under equity. Interim dividends are recognised as a liability at the date when the decision to pay interim dividends is made.

The translation reserve comprises foreign exchange differences arising on translation of financial statements of entities that have a functional currency different from USD. On full or partial realisation of the net investment, the foreign exchange adjustments are recognised in the income statement.

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions, and net of tax, that qualify for recognition as a cash flow hedge and where the hedged transaction has not been realised.

Financial ratios

Financial ratios are calculated in accordance with the *Recommendations and Ratios* issued by *The Danish Finance Society*, unless specifically stated.

1.2 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

§ ACCOUNTING POLICIES

The preparation of the Group's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of asset and liability affected in future periods.

Significant judgements

In the process of applying the accounting policies, management has made the following judgements which are considered to be significant to the Consolidated Financial Statements:

Hedge accounting (note 5.6)

Significant estimates

Likewise, management has made the following estimates which are considered to be significant to the Consolidated Financial Statements:

Impairment test of goodwill (note 3.1)
Assessing indicators of impairment and cash-generating units of vessels (note 3.2)
Assessing indicators of impairment with respect to Joint Ventures (note 3.6)
Measurement of non-lease components (note 5.3)

1.3 FIRST TIME ADOPTION

§ ACCOUNTING POLICIES

The Consolidated Financial Statements, for the year ended 31 December 2021, are the first set of Financial Statements that the Group has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2020, Ultranav Denmark ApS prepared its consolidated financial statements in accordance with the Danish Financial Statements Act.

Accordingly, Ultranav Denmark has prepared consolidated financials statements that comply with IFRS applicable at 31 December 2021, together with the comparative period data for the year ended 31 December 2020. In preparing the financial statements, the Group's opening statement of financial position was prepared at 1 January 2020, Ultranav Denmark's date of transition to IFRS.

This note explains the adjustments made by Ultranav Denmark in restating its local GAAP financial statements, including the statement of financial position at 1 January 2020 and the financial statements at 31 December 2020.

TRANSITION RULES

IFRS 1 allows first time adopters certain exemptions from the retrospective application of certain requirements under IFRS. The group has applied the following exemptions

ASSETS AND LIABILITIES OF SUBSIDIARIES

As Ultranav Denmark ApS has become a first-time adopter of IFRS later than its parent's (Naviera Ultranav Limitada) consolidated financial statements, IFRS 1 permits to measure its assets and liabilities at the carrying amounts that would be included in the reporting by the parent's consolidated financial statements.

IFRS 16 - LEASING

The transition to IFRS 16 is in accordance with the full retrospective approach and previous periods comparative figures have been adjusted in the financial statements. The Group elected not to reassess whether a contract is, or contains, a lease at 1 January 2020.

CUMULATIVE CURRENCY TRANSLATION DIFFERENCES

Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 january 2020.

CHANGES IN ACCOUNTING POLICIES FROM LOCAL GAAP TO IFRS

In connection with the preparation of the financial statements, the following reclassification and adjustments to the profit and loss statement and the balance sheet were performed.

[A] IFRS 16 - LEASING

RIGHT-OF-USE ASSETS

Under local GAAP, a lease is classified as a finance lease or an operating lease, where operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight line basis over the lease term.

Under IFRS, a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The lessee recognises a lease liability to make lease payments and a right-of-use asset, which is depreciated, representing the right to use the underlying asset.

SUBLEASING

Under local GAAP, subleasing was classified as operating leases, hence recognised in the statement of profit or loss on a straight line basis over the lease term.

Under IFRS, the lessor must evaluate the sublease with reference to the right-of-use asset. As a consequence, the lessor must recognise a lease liability to make lease payments and a lease receivable.

The adoption of IFRS 16 improved the profit or loss with a net income of USD 2,930 thousands by improving earnings gross profit of USD 167,480 thousands, improved operating expenses by USD 630 thousands, offset by increased depreciation of USD 145,250 thousands and increase in net financial expenses of USD 19,930 thousands. As of 31 December 2020 Right-of-use assets of USD 478,299 thousands (USD 557,310 thousands as of 1 January 2020), Receivables from subleases USD 25,847 thousands (USD 37,167 thousands as of 1 January 2020), and lease liabilities of USD 548,562 thousands (USD 630,054 thousands as of 1 January 2020) were recognised in the balance sheet. The equity as of 1 January 2020 was impacted by a net loss of USD 29,957 thousands (USD 28,523 thousands as of 31 december 2020), as a consequence of the full retrospective approach.

1.3 FIRST TIME ADOPTION (CONTINUED)

[B] IAS 36 – VALUATION OF GOODWILL

Under local GAAP, goodwill is amortised over the usefull life (determined by management to be 10 years) on a straight line basis.

Under IFRS, goodwill is not amortised, but tested for impairment at least once a year to assess if events or changes in circumstances indicate that the carrying value may be impaired. No impairment was identified at the date of transition.

Goodwill recognised in the balance sheet at 31 december 2020 amounted to USD 30,168 thousands (USD 30,168 thousands as of 1 January 2020), and reversed amortisations and depreciations for 2020, amounted to USD 1,507 thousands. Consequenty the equity as of 1 January 2020 was increased by of USD 28,661 thousands (USD 30,168 thousands as of 31 december 2020).

[C] IFRS 5 – NON-CURRENT ASSETS HELD FOR SALE & DISCONTINUING OPERATIONS

NON-CURRENT ASSETS HELD FOR SALE

Under IFRS, when certain criterias are met such as management is committed to a plan to sell and the sale is highly probable within 12 months, the asset must be reclassified in the statement of financial position to a separate line item as Assets held for sale. As a consequence, vessels held for sale have been reclassified from tangible assets to assets held for sale, in the statement of financial position. Assets classified as held for sale amounted to USD 15,900 thousands as of 31 December 2020 (USD 5,630 thousands as of 1 January 2020).

DISCONTINUING OPERATIONS

In 2021 Ultranav Denmark ApS divested it's subsidiary Ultragas ApS to Navigator Holdings Ltd, in a combined share and debt transaction, including other entities within the Naviera Ultranav Limitada group, closing at 4th of August 2021.

Under IFRS, the divestment must be classified as discontinuing operations with restatement of profit and loss. Reference is made to note 2.5, for additional disclosures regarding the divestment.

IFRS 9 – FINANCIAL INSTRUMENTS

CLASSIFICATION AND MEASUREMENTS OF FINANCIAL ASSETS

The Group has applied IFRS 9 in connection with the first-time adoption of IFRS. It has been assessed whether the financial assets meet the business model for amortised cost or fair value through either profit or loss, or other comprehensive income measurement on the basis of the facts and circumstances that exist at the date of transition. The resulting classification is applied irrespective of the business model in prior reporting periods.

IMPAIRMENT OF FINANCIAL ASSETS

In relation to impairment of financial assets, IFRS 9 requires an expected credit loss (ECL) model, compared to an incurred credit loss model under local GAAP. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. As of 1 January 2020, the existing financial assets have been reviewed and assessed to determine the credit risk of the respective items. Based on the low historical loss on these receivables, the application of IFRS 9 has not resulted in any additional loss allowances.

GENERAL HEDGE ACCOUNTING

The Group's qualifying hedging relationships in place under local GAAP also qualified for hedge accounting in accordance with IFRS 9. As a consequence, the application of IFRS 9 hedge accounting requirements has had no impact on the Group's results and financial position for current and prior years.

CASH FLOW

The transition from the Danish Financial Statements Act to IFRS has had a material impact on the statement of cash flows. Cash flows arising from operating lease payments are classified as operating activities under local GAAP. Under IFRS, cash flows arising from payments of principal portion of lease liabilities are classified as financing activities.

The 2020 cash flow from operating activities was improved by USD 179,517 thousands, while the cash flow from financing activities was decreased by USD 179,517 thousands as a consequence of the IFRS 16 adoption. Net cash flow for 2020 remained unchanged.

1.3 FIRST TIME ADOPTION (CONTINUED)

CONSOLIDATED PROFIT OR LOSS

1 JANUARY – 31 DECEMBER 2020

USD thousands	Note	Local GAAP	Reclassifications and remeasurements to IFRS	Reclassification of discontinuing operations	IFRS
Revenue	[A]	1,023,184	-16,181	-106,064	900,939
Vessel operating costs and voyage related expenses	[A]	-1,004,879	183,661	62,311	-758,907
Gross profit (Net earnings from shipping activities)		18,305	167,480	-43,753	142,032
Other external expenses	[A]	-7,535	630	1,295	-5,610
Staff costs		-23,214	-	6,128	-17,086
Operating profit before depreciation (EBITDA)		-12,444	168,110	-36,330	119,336
Depreciations and amortisations	[A], [B]	-10,204	-145,250	33,891	-121,563
Impairment loss on vessels		-2,910	-	-	-2,910
Gain/(loss) from sale of vessels, net		4,252	-	-	4,252
Share of Joint Ventures' profit after tax		-7,088	-	-	-7,088
Operating profit (EBIT)		-28,394	22,860	-2,439	-7,973
Share of associates' profit after tax		-310	-	-335	-645
Financial income	[A]	1,524	3,467	-	4,990
Financial expenses	[A]	-1,987	-23,397	8,958	-16,426
Profit/loss before tax		-29,167	2,930	6,183	-20,054
Tax		-2,664	-	138	-2,526
Profit/loss for the period – continuing operations		**-31,831**	**2,930**	**6,321**	**-22,580**
Profit/loss for the period – discontinuing operations	[C]	-	-	-6,321	-6,321
Profit/loss for the period		**-31,831**	**2,930**	**-**	**-28,901**

1.3 FIRST TIME ADOPTION (CONTINUED)

ASSETS

		Balance sheet at 31 December 2020			Balance sheet at 1 January 2020		
	Note	Local GAAP	Reclassification and remeasurements	IFRS	Local GAAP	Reclassification and remeasurements	IFRS
Goodwill & contractual rights	[B]	6,612	30,168	36,780	12,694	28,661	41,355
Vessels & right-of-use assets	[C], [A]	57,445	478,299	535,744	68,461	557,310	625,771
Fixtures, fittings, and equipment		731	-	731	814	-	814
Intangible & Tangible assets		64,788	508,467	573,255	81,969	585,971	667,940
Investments in associates		2,160	-	2,160	2,031	-	2,031
Investments in Joint Ventures		18,191	-	18,191	25,279	-	25,279
Loans receivable from related companies		4,837	-	4,837	2,691	-	2,691
Derivative financial instruments		188	-	188	1,408	-	1,408
Receivable from subleases	[A]	-	13,550	13,550	-	25,836	25,836
Deposits		386	-	386	-	-	-
Financial assets, non-current		25,762	13,550	39,312	31,409	25,836	57,245
Total non-current assets		90,550	522,017	612,567	113,378	611,807	725,185
Inventories		19,851	-	19,851	29,804	-	29,804
Trade and other receivables		70,593	-	70,593	71,993	-	71,993
Receivables and loans from related companies		1,897	-	1,897	1,564	-	1,564
Receivable from subleases	[A]	-	12,297	12,297	-	11,331	11,331
Prepayments		22,021	-	22,021	15,199	-	15,199
Derivative financial instruments		3,483	-	3,483	1,312	-	1,312
Cash and cash equivalents, including restricted cash		82,857	-	82,857	94,276	-	94,276
Assets classified as held for sale	[C]	-	15,900	15,900	-	5,630	5,630
Total current assets		200,702	28,197	228,899	214,148	16,961	231,109
TOTAL ASSETS		**291,252**	**550,214**	**841,466**	**327,526**	**628,768**	**956,294**

1.3 FIRST TIME ADOPTION (CONTINUED)

LIABILITIES

		Balance sheet at 31 December 2020			Balance sheet at 1 January 2020		
USD thousands	Note	Local GAAP	Reclassification and remeasurements	IFRS	Local GAAP	Reclassification and remeasurements	IFRS
Share capital		20,577	-	20,577	20,577	-	20,577
Retained earnings		140,188	395	140,583	171,379	-3,063	168,316
Other reserves		-3,170	1,632	-1,538	-6,528	2,258	-4,270
Total equity of majority interests		157,595	2,027	159,622	185,428	-805	184,623
Non-controlling interest		4,479	-369	4,110	5,385	-481	4,904
Total Equity*	[A], [C]	162,074	1,658	163,732	190,813	-1,286	189,527
Interest bearing loans and borrowings		18,175	-	18,175	28,486	-	28,486
Lease liabilities	[A]	-	385,395	385,395	-	469,776	469,776
Derivative financial instruments		3,063	-	3,063	1,763	-	1,763
Total non-current liabilities		21,238	385,395	406,633	30,249	469,776	500,025
Trade and other payables		88,120	-17	88,103	87,948	-	87,948
Payables to related companies		4,501	-	4,501	8,412	-	8,412
Interest bearing loans and borrowings		11,245	-	11,245	3,699	-	3,699
Lease liabilities	[A]	-	163,167	163,167	-	160,278	160,278
Derivative financial instruments		2,273	-	2,273	5,430	-	5,430
Income tax payable		1,812	-	1,812	975	-	975
Total current liabilities		107,951	163,150	271,101	106,464	160,278	266,742
Total liabilities		129,189	548,545	677,734	136,713	630,055	766,767
TOTAL EQUITY AND LIABILITIES		**291,263**	**550,203**	**841,466**	**327,526**	**628,769**	**956,294**

*The change in the opening balance of the equity as of 1 January 2020 was driven by a decrease from the adoption of IFRS 16 of USD 29,957 thousands (USD 28,523 thousands as of 31 december 2020), partly offset by an increase due to reversal of amortisations on goodwill of USD 28,661 thousands (USD 30,168 thousands as of 31 December 2020).

SECTION 2: PROFIT OR LOSS

2.1 Revenues

2.2 Vessel operating costs and voyage related expenses

2.3 Staff costs

2.4 Tax

2.5 Discontinuing operations

2.1 REVENUES

§ ACCOUNTING POLICIES

Revenue

Revenues from freight and time-charters are recognised as the services are rendered based the percentage of completion method. According to the method, revenues are recognised over the period from the vessel's load date to the delivery of the cargo (Load to Discharge). Demurrage is included if a claim is considered probable. Losses arising from time or voyage charter are provided for in full when they become probable.

Realised gains and losses on derivatives, which are accounted for as hedges of revenue transactions, are recognised in revenues .

Disaggregation of revenue

Revenues from contracts with customers are disaggregated by type of vessel and type of contracts with customers.

As the Company is neither listed at any stock market, nor have debt or equity instruments are traded in a public market, it has been decided not to apply IFRS 8 Operating Segments, and not disclose any segment information.

Sublease income

The Group enters into arrangements to sublease an underlying asset to a third party, while Ultranav Denmark retains the primary obligation under the original lease.

In these arrangements, Ultranav Denmark acts as both the lessee and lessor of the same underlying asset.

If a leased vessel is sub-leased under terms transferring substantially all remaining risks and rewards under the head lease to the lessee in the sub-lease, the right-of-use asset is derecognised, and a lease receivable is recognised.

Gain/loss on the derecognised right-of-use asset, if any, is recognised in the income statement as other operating income/expenses.

During the term of the sublease, Ultranav Denmark recognises both finance income on the sublease as revenue and interest expense on the head lease as financial expense.

USD thousands	2021	2020
Panamax	311,561	202,785
Supramax	598,283	333,863
Handysize	374,921	184,359
African Services, Parcel Services and MPP Services	478,049	179,036
Other	1,323	896
Revenue by type of vessel	1,764,137	900,939

USD thousands	2021	2020
Income from freight	1,374,754	737,220
Income from Time-Charter	377,035	157,093
Sublease income	1,716	2,672
Other	10,632	3,954
Revenue by type of contract	1,764,137	900,939

2.2 VESSEL OPERATING COSTS AND VOYAGE RELATED EXPENSES

§ ACCOUNTING POLICIES

Voyage expenses, time-charter hire and operating expenses are recognised as the services are rendered bases the percentage of completion method. According to the method all spot voyages and voyages servicing Contract of Affreightment (CoA) related expenses are recognised over the period from the vessel's load date to the delivery of the cargo (Load to Discharge).

Expenses directly attributable to positioning the vessel to the loading port are capitalised and expensed over the period from the vessel's load date to the delivery of the cargo (Load to Discharge).

Vessel operating costs and voyage related expenses comprise mainly of time charter hire, bunker and port expenses, including realised gains or losses on bunker and FFA hedges, which are accounted for as hedges of voyage related expenses and time charter hire.

Non-lease components of lease arrangements are described further in note 5.3 Lease liabilities.

USD thousands	2021	2020
Bunkers	-274,199	-192,911
Other voyage related expenses	-224,404	-178,191
Voyage related expenses	-498,603	-371,102
Time-Charter hire, short-term leases	-913,496	-298,468
Operating expenses, long-term leases (non-lease component)	-88,592	-85,491
Other	-3,722	-3,846
Time-Charter hire and operating expenses	-1,005,810	-387,805
Vessel operating costs and voyage related expenses	-1,504,413	-758,907

2.3 STAFF COSTS

§ ACCOUNTING POLICIES

Staff costs comprise wages and salaries, including incentives, to onshore employees.

USD thousands	2021	2020
Wages and salaries	-27,077	-15,139
Pensions – defined contribution plans	-1,306	-1,105
Other staff costs	-613	-842
Staff cost to on-shore employees	-28,996	-17,086
Staff costs	-28,996	-17,086

Average number of employees	138	128

The staff cost to onshore employees are recognised as "Staff costs" in profit or loss. Staff cost to crew on vessels are recognised as "Vessel operating costs and voyage related expenses".

Remuneration of certain employees, who are remunerated by related companies, are expensed as management fee, and consequently recognised as "Other external expenses".

2.4 TAX

§ ACCOUNTING POLICIES

Taxes

Ultranav Denmark ApS is jointly taxed with the Ultranav Denmark Group, with Ultranav Denmark ApS (Parent Company) being the administration company for the jointly taxed companies. The current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. In relation to the shipping activities, Ultranav Denmark ApS participates in the Danish Tonnage Tax Scheme.

Companies that use tax losses in other companies pay the joint tax contribution to the Parent Company at an amount corresponding to the tax value of the tax losses used. Companies, whose tax losses are used by other companies, receive joint tax contributions from the Parent Company corresponding to the tax value of the losses used (full absorption). The jointly taxed companies are taxed under the tax prepayment scheme.

Tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement. Tax attributable to entries directly under comprehensive income is recognised directly in other comprehensive income.

USD thousands	2021	2020
Current tax on profit for the year	-1,566	1,921
Deferred tax for the year	-182	-
Tax on profit for the year	-1,748	-1,921
Adjustments related to previous years – current tax	-21	-605
Tax in the income statement	-1,769	-2,526
Computation of effective tax rate (%):		
Statutory corporate income tax in Denmark	22 %	22%
Effects from Tonnage Tax Scheme	-20.8 %	-26.1 %
Effects of adjustments related to prior years	-0.1 %	1.0 %
Deviation in foreign subsidiaries' tax rates compared to the Danish tax rate (net)	1.4 %	-9.5 %
Effective tax rate	2.5 %	-12.6 %

§ ACCOUNTING POLICIES (CONTINUED)

Deferred tax

All significant Danish entities within the Group entered into the Danish tonnage taxation scheme for a binding 10 year period with effect from 2017. Under the Danish tonnage taxation scheme, taxable income is not calculated on the basis of income and expenses as under the normal corporate taxation. Instead, taxable income is calculated with reference to the tonnage used during the year. The taxable income for a company for a given period is calculated as the sum of the taxable income from the activities under the tonnage taxation scheme and the taxable income from the activities that are not covered by the tonnage taxation scheme made up in accordance with the ordinary Danish corporate tax system. If the participation in the Danish tonnage taxation scheme is abandoned, or if the entities' level of investment and activity is significant reduced, a deferred tax liability will become payable.

For the taxable income which is made up in accordance to the ordinary corporate tax system, a deferred tax is recognized at each period end and is accounted for using the balance sheet liability method. Deferred tax assets, including the tax value of tax loss carry forwards, are recognised under other non-current assets at the expected value of their utilisation – either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax assets and liabilities are offset if the Company has a legally enforceable right to set off current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets on a net basis or to realise the assets and settle the liabilities simultaneously.

Deferred tax at 31 December 2021

Deferred tax liabilities is recognised in respect of the temporary differences between the carrying amount and the tax base of the acquired shares in Navigator Holding Ltd. As at 31 December 2021 the deferred tax regarding the acquired shares, amounted to USD 0.6 million.

2.5 DISCONTINUING OPERATIONS

§ ACCOUNTING POLICIES

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.Discontinued operations consist of the divestment of Ultragas ApS and its subsidiaries.

On 4th of August 2021, Ultranav Denmark executed the divestment of Ultragas ApS for Navigator Holdings Ltd to acquire 100% of the shares in a combined share and debt transaction. The total transaction also included other entities within the Naviera Ultranav Limitada group, which does not impact Ultranav Denmark ApS.

The divestment of the operations is recognised at the closing date, where the control is transferred to the counterparty. Gain or loss from discontinued operations is calculated as the net of divested liabilities and the consideration received. The sales price is measured at fair value of the received shares. There were no divested activities in 2020.

Profit/loss for the period – discontinuing operations

USD thousands	2021 7 mths	2020 12 mths
Revenue	64,421	106,064
Expenses	-39,744	-69,734
Depreciation and amortisation	-9,152	-33,891
Financial items, net	-4,417	-8,622
Gain/loss from divestment	7,543	-
Profit/loss before tax	18,651	-6,183
Tax	-2	-138
Profit/loss for the year – discontinuing operations	**18,649**	**-6,321**

The improved net result for 2021, before gain from divestment, is primarily linked to the reason that depreciations ceased at the point when Ultragas was classified as held for sale, which was at the point when the letter of intent was signed with Navigator Holdings Ltd. on 12th of April 2021.

Gain on investment

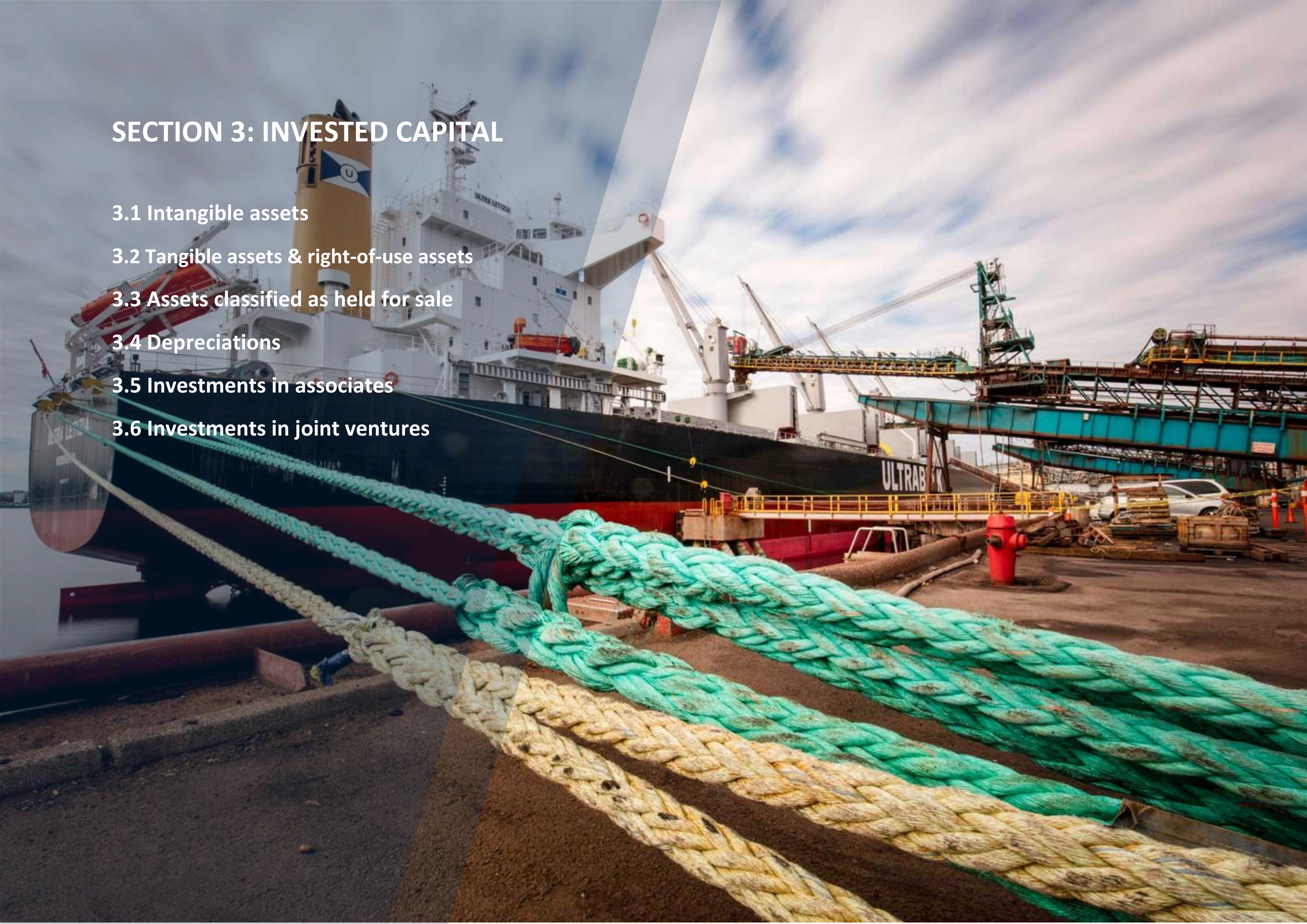
USD thousands	4th of August 2021
Right-of-use assets	179,804
Financial assets, non-current	1,684
Current assets	15,947
Cash	5,835
Lease liabilities	-186,443
Trade and other payables, current	-17,206
Other current liabilities	-164
Net divested liabilities	**-543**
Value of consideration received	7,645
Deferred tax of consideration received	-645
Gain/Loss on divestment	**7,543**

Net divested cash comprise of the cash balance of USD 5.8 million and the repayment of loans of USD 9.0 million, constituting a net divested cash of USD -3.2 million.

Cash flow for the period – discontinuing operations

USD thousands	2021	2020
Cash flow from operating activities	17,803	39,876
Cash flow used for investing activities	-40	288
Cash flow from financing activities	-13,960	-38,455
Net cash flow from discontinued operations	**3,803**	**1,709**

In the Consolidated Financial Statements, the results of Ultragas up to closing in 4th of August are reported as discontinued operations with a net profit of USD 18.6 million (2020: USD -6.3 million). The cash flow from operating activities amounted to USD 17.8 million (2020: USD 39.9 million) while the cash flow from financing activities amounted to USD -14.0 (2020: USD -38.5 million). Total net cash flow from the discontinued operations amounted to USD 3.8 million (2020: USD 1.7 million).



SECTION 3: INVESTED CAPITAL

3.1 Intangible assets

3.2 Tangible assets & right-of-use assets

3.3 Assets classified as held for sale

3.4 Depreciations

3.5 Investments in associates

3.6 Investments in joint ventures

3.1 INTANGIBLE ASSETS

§ ACCOUNTING POLICIES

The recognised goodwill is related to the acquisition of Ultrabulk A/S. Goodwill, and other intangible assets with indefinite lives, are tested anually, or upon indication, for impairment as it is not subject to amortisation. When carrying out the impairment test for goodwill arisen from the acquisition of Ultrabulk A/S, the carrying value of the CGU is compared to the value in use (discounted value of future cash flows). If the carrying values are higher, the difference is charged to the income statement. The value in use is calculated using a valuation model based on discounted expected future cash flows (DCF-model), based on management's projections.

2021

USD thousands	Goodwill	Contractual Rights	Total
Costs as of 1 January, accumulated	30,168	57,453	**87,621**
Cost at 31 December, accumulated	30,168	57,453	87,621
Amortisations at 1 January, accumulated	-	-50,841	**-50,841**
Amortisation	-	-4,264	**-4,264**
Amortisation at 31 December, accumulated	-	-55,105	-55,105
Carrying amount 31 December	**30,168**	**2,348**	**32,516**

2020

USD thousands	Goodwill	Contractual Rights	Total
Costs as of 1 January, accumulated	30,168	57,453	**87,621**
Cost at 31 December, accumulated	30,168	57,453	**87,621**
Amortisations at 1 January, accumulated	-	-46,266	**-46,266**
Amortisation	-	-4,575	**-4,575**
Amortisation at 31 December, accumulated	-	-50,841	**-50,841**
Carrying amount 31 December	**30,168**	**6,612**	**36,780**

Contractual rights, that were acquired by Ultranav Denmark ApS and have finite useful lives, are measured at cost less accumulated amortisation and impairment losses. Amortisation of contractual rights is recognised in the income statement based on the period to which the contracts relate. The contractual rights are amortised over a period of up to 10 years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

! ACCOUNTING ESTIMATES

IMPAIRMENT TEST OF GOODWILL

In the annual impairment test of goodwill, an estimate is made to determine how the enterprise will be able to generate sufficient positive net cash flow in the future to support the value of goodwill, and other net assets of the enterprise in question. The Goodwill is solely allocated to the Drybulk CGU, reference is made to note 3.2.

The estimates of the anticipated future net cash flow are based on budgets (covering a five year period), business plans as well as Management's projections for the coming years. Management's expected rates (income) for open vessel days (uncovered capacity) for the budget period is the Company's own (internal) rate model, which is supported by estimates from external research companies. In establishing those, consideration is given to external economic analysis, and the internal rate assumptions include amongst other things scrapping of old tonnage as well as increased demand. The internal rates are to the extent available tested against information from external parties (brokers) and the historical long-term rate development.

When determining the value in use, a discount rate after tax of 8% and a growth rate of nil % was applied.

When performing sensitivity analysis by increasing the discount rate by 1 percentage point or lowering the revenue by 1 percentage point, the value in use still exceeded the carrying amount in the CGU. As a consequence, no impairment was identified.

3.2 TANGIBLE ASSETS & RIGHT-OF-USE ASSET

§ ACCOUNTING POLICIES

Tangible assets

Tangible assets are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. Instalments and costs incurred during the construction period on new building contracts are capitalised as they are paid. Borrowing costs (interest) that are attributable to the construction of the vessels are capitalised and included as part of the cost. The capitalised value is reclassified from new buildings to vessels upon delivery from the yard.

Where individual components of an item of tangible assets have different useful lives, they are depreciated separately. Depreciation is provided on a straight-line basis over the expected useful lives of the assets/components. The expected useful lives are as follows:

• Vessels: 20 years

• Fixtures, fittings and equipment: 2 – 10 years

Depreciation is calculated on the basis of the residual value and impairment losses, if any. The useful life and residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued, The residual value of the vessels is estimated as the lightweight tonnage of each vessel multiplied by scrap value per ton.

When changing the depreciation period or the residual value, the effect on the depreciation is recognised prospectively as a change in accounting estimates.

The carrying values of vessels and new buildings are reviewed for impairments when events or changes in circumstances indicate that the carrying value may not be recoverable. Valuations are performed frequently to ensure that the fair value of the asset does not differ materially from its carrying amount.

Right-of-use assets

Right-of-use assets primarily consist of leased vessels.

Ultranav Denmark recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made before the commencement date.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Right-of-use assets are subject to testing for impairment if there is an indicator of impairment, as for owned assets.

3.2 TANGIBLE ASSETS & RIGHT-OF-USE ASSET (CONTINUED)

§ ACCOUNTING POLICIES

Impairment of tangible assets

The carrying amount of non-current assets is reviewed annually for indicators of impairment. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined.

The recoverable amount is the higher of an asset's fair value less expected costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or the cash-generating unit to which the asset belongs. An impairment loss is recognised if the carrying amount of an asset or a cash-generating unit, respectively, exceeds the recoverable amount of the asset or the cash-generating unit. Impairment losses are recognised in the income statement in a separate line item.

Impairment is reversed only to the extent of changes in the assumptions and estimates underlying the impairment calculation. Impairment is only reversed to the extent that the asset's increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

! ACCOUNTING ESTIMATES

DETERMINING CGU

Management's assessment of indicators of impairment on right-of-use assets (vessels) is based on the cash-generating units in which assets are included. The identification of such cash-generating units involves significant judgement.

Management has concluded that the entire fleet of dry bulk vessels (owned and leased) constitutes a cash generating unit, as the vessels are managed on a portfolio basis and considered to be interchangeable. Further, the vessels owned by Ultra Summit (joint venture) are generally included in the CGU along with the goodwill arisen from the acquisition of Ultrabulk A/S (note 3.1).

ASSESSING INDICATIONS OF IMPAIRMENT

Management's assessment of whether there is any indication that an asset, or a CGU, may be impaired comprise, among other things, financial performance, broker values, newbuilding prices, and freight and time charter rates. This assessment involves significant judgment. Climate-related risks in the near future relate mainly to the freight rates that a vessel is able to generate depending on its environmental classification and performance. This was taken into consideration when Management determined the freight and time charter rates. Long-term climate-related risks were not regarded as a significant factor in the impairment test as the majority of operated vessels are chartered and such risks remain with the owners of the vessels.

Following the significant increase in dry cargo rates which happened in 2021, and a positive outlook in the coming years where the dry cargo rates are expected to stay well above the level in the period 2019-2020, although lower than the peaks seen in 2021, Management has not identified any indicators of impairment which would necessitate that an impairment test be prepared for any asset or CGU.

3.2 TANGIBLE ASSETS & RIGHT-OF-USE ASSET (CONTINUED)

2021 USD thousands	Vessels	Fixtures, fittings and equipment	Right-of-use assets	Total
Costs as of 1 January, accumulated	48,828	6,131	1,089,642	1,144,601
Additions	-	1,008	39,901	40,909
Disposals	-24,599	-208	-508,203	-533,010
Remeasurements on continuing operations	-	-	26,609	26,609
Remeasurements on discontinuing operations	-	-	-6,004	-6,004
Transferred to assets classified as held for sale	-24,229	-	-	-24,229
Cost at 31 December, accumulated	-	6,931	641,945	648,876
Depreciation and impairments at 1 January, accumulated	-7,283	-5,400	-595,443	-608,126
Depreciation on continuing operations	-2,070	-775	-137,067	-139,912
Depreciation on discontinued operations	-	-	-9,152	-9,152
Depreciation on disposals	5,216	203	328,399	333,818
Transferred to assets classified as held for sale	4,137	-	-	4,137
Depreciation and impairment at 31 December, accumulated	-	-5,972	-413,263	-419,235
Carrying amount 31 December	-	959	228,682	229,641

Disposed right-of-use assets for the year comprise the Ultragas vessels, which were sold as part of the divestment of Ultragas to Navigator Holding Ltd. Reference is made to note 2.5. Disposed vessels for the year comprise a vessel which was sold and delivered during 2021 to its new owners. Furthermore, management is actively pursuing a sale of another vessel which remains the only wholly-owned vessel in the portfolio at the end of 2021. As a consequence, and because management believes that a sale is highly probable within 12 months, the carrying amount of the vessel has been transferred to assets classified as held for sale. Refer to note 3.3 Asset classified as held for sale.

2020 USD thousands	Vessels	Fixtures, fittings and equipment	Right-of-use assets	Total
Costs as of 1 January, accumulated	73,029	6,023	1,066,374	1,145,426
Additions	842	742	79,179	80,763
Disposals	-	-634	-54,827	-55,461
Remeasurements on continuing operations	-	-	4,698	4,698
Remeasurements on discontinuing operations	-	-	-5,782	-5,782
Transferred to assets classified as held for sale	-25,043	-	-	-25,043
Cost at 31 December, accumulated	48,828	6,131	1,089,642	1,144,601
Depreciation and impairments at 1 January, accumulated	-10,199	-5,210	-503,434	-518,843
Depreciation on continuing operations	-3,317	-803	-112,945	-117,065
Depreciation on discontinued operations	-	-	-33,891	-33,891
Depreciation on disposals	-	613	54,827	55,439
Impairment loss on assets transferred to assets classified as held for sale	-2,910	-	-	-2,910
Transferred to assets classified as held for sale	9,143	-	-	9,143
Depreciation and impairment at 31 December, accumulated	-7,283	-5,400	-595,443	-608,127
Carrying amount 31 December	41,545	731	494,199	536,474

Disposed vessels last year comprise a vessel which was sold in 2020 to a related company with delivery in 2021. Consequently, the vessel was written down by USD 2.9 million to an amount corresponding to the sales price. The carrying amount was subsequently transferred to assets classified as held for sale.

3.3 ASSETS CLASSIFIED AS HELD FOR SALE

§ ACCOUNTING POLICIES

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Assets are no longer depreciated or amortised once classified as held for sale.

USD thousands	2021	2020
Carrying amount at 1 January	15,900	5,630
Sold during the year	-15,900	-5,630
Transferred to assets classified as held for sale	20,092	15,900
Carrying amount at 31 December	20,092	15,900

The carrying amount at 1 January 2021 comprised of one vessel which was sold in 2020 and subsequently transferred to assets classified as held for sale. In 2021, the vessel was delivered to its new owners.

During the year, another vessel was transferred to assets classified as held for sale at the end of 2021 as management was actively pursuing a sale of the vessel at the balance sheet date. The vessel was in fact sold and delivered to its new owners in January 2022.

3.4 DEPRECIATIONS

§ ACCOUNTING POLICIES

For accounting policies related to depreciations, reference is made to note 3.2 Tangible assets.

USD thousands	2021	2020
Depreciations on owned vessels	-2,070	-3,317
Depreciations on right-of-use assets	-137,067	-112,945
Depreciations on fixture, fittings, and equipment	-775	-726
Amortisations on contractual rights	-4,265	-4,575
Depreciations – continuing operations	-144,177	-121,563
Depreciations on Right-of-use assets – discontinuing operations	-9,152	-33,891
Total depreciations for the year	-153,329	-155,454

3.5 INVESTMENTS IN ASSOCIATES

§ ACCOUNTING POLICIES

Investments in associates are recognised in The Consolidated Financial Statements according to the equity method. Investments in associates are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the Group's accounting policies minus or plus the proportionate share of unrealised intra-group profits and losses and plus additional value on acquisition, including goodwill.

Investments in associates are tested for impairment when impairment indicators are identified.

Investments in associates with negative net asset values are measured at USD 0 (nil). If the Group has a legal or constructive obligation to cover a deficit in the associate, the remaining amount is recognised under provisions.

Amounts owed by associates are measured at amortised cost. Write-down is made for bad debt losses.

The proportionate share of the result after tax of associates is recognized in the consolidated income statement after elimination of the proportionate share of intra-group profits/losses.

USD thousands	2021	2020
Cost at 1 January	1,800	1,800
Disposal	-392	-
Cost at 31 December	1,408	1,800
Value adjustment at 1 January, accumulated	360	231
Exchange rate adjustment	-	83
Impairment	-375	-
Share of the result for the year	-	335
Dividends	-	-288
Net disposed value adjustment	-1,017	-
Value adjustment at 31 December, accumulated	-1,033	360
Carrying amount at 31 December	375	2,160

	Registered office	Ownership
Pérola S.A., Brasil, interest 20%	Brazil	20%

Pérola S.A. is in the process of formal liquidation. The carrying amount of USD 0.4 million is the expected liquidation proceeds of Pérola, when the entity is fully liquidated.

Disposed investments during the year comprise of the investments in Unigas International B.V. and Ultraship Crewing Philippines Inc which were both divested through the divestment of Ultragas ApS.

3.6 INVESTMENTS IN JOINT VENTURES

§ ACCOUNTING POLICIES

Undertakings which are contractually operated jointly with another counterparty (joint ventures) and thus are jointly controlled are recognised in The Consolidated Financial Statements according to the equity method. Investments in joint ventures are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the Group's accounting policies minus or plus the proportionate share of unrealised intra-group profits and losses and plus additional value on acquisition, including goodwill. Investments in joint ventures are tested for impairment when impairment indicators are identified.Investments in joint ventures with negative net asset values are measured at USD 0 (nil). If the Group has a legal or constructive obligation to cover a deficit in the joint ventures, the remaining amount is recognised under provisions.

Amounts owed by joint ventures are measured at amortised cost. Write-down is made for bad debt losses. The proportionate share of the result after tax of the joint ventures is recognized in the consolidated income statement after elimination of the proportionate share of intra-group profit/losses.

! ACCOUNTING ESTIMATES

ASSESSING INDICATIONS OF IMPAIRMENT

Ultra Summit (Singapore) Pte. Ltd, owns four vessels, all of which are chartered on fixed-rate terms to Ultrabulk. Three of the vessels are part of the cash generating unit for Ultrabulk's fleet cf. note 3.1.

For the fourth vessel in Ultra Summit, no impairment or reversal hereof is identified at 31 December 2021 (2020: impairment of USD 6.3 million). In assessing the value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects the current market assessments of the time value of money and the risks specific to the assets (WACC of 8%). The Group bases its impairment calculation on budgets and rate forecasts, which are based on internal forecasts benchmarked to broker estimates. These budgets and forecast calculations generally cover a period of five years. The cash flows were projected in the remaining useful life of the vessel using a 2% inflationary increase.

3.6 INVESTMENTS IN JOINT VENTURES (CONTINUED)

USD thousands	2021	2020
Cost at 1 January	23,825	23,825
Cost at 31 December	23,825	23,825
Value adjustment at 1 January, accumulated	-5,634	1,454
Share of the result for the year	48	-7,088
Value adjustment at 31 December, accumulated	-5,586	-5,634
Carrying amount at 31 December	18,238	18,190

The carrying amount can be specified as follows:

Ultra Summit (Singapore) Pte., Ltd, 50%	18,238	18,190

Key figures for the investment in Joint Ventures (100% basis):

Assets	92,929	97,180
Liabilities	-56,451	-60,800
Net assets	36,478	36,380
Revenues	20,962	15,492
Profit/loss for the year	96	-14,176
Total comprehensive income for the year	96	-14,176

SECTION 4: WORKING CAPITAL

4.1 RECEIVABLES AND PREPAYMENTS

§ ACCOUNTING POLICIES

Receivables

Receivables are measured at amortised cost less provisions for impairment losses.

Ultranav Denmark applies the simplified approach to providing the expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for trade receivables. To measure the expected credit losses trade receivables have been grouped based on credit risks and the day past due. In accordance with IFRS 9, non-due trade receivables have also been impaired.

For a description of Ultranav Denmark's payment terms as well as management of credit risk, reference is made to note 5.4 Financial risks.

Contract assets

Contract assets include accrued revenue for voyages that are not completed at 31 December, and which were not yet invoiced or prepaid at that date. Contract assets are recognised when a sales transaction fulfils the criteria for revenue recognition but no final invoice has yet been issued to the customer for the services delivered.

Prepayments

Prepayments comprise cost incurred in relation to subsequent financial years.

Loans to related companies

An interest bearing intragroup loan has been issued to a related company of USD 155.0 million. The loan is entered with a fixed margin of 1.83% + USDLIBOR 6M and is due for repayment in June 2023. Management considers the credit risk to be low.

USD thousands	2021	2020	January 1st 2020
Customers (trade receivables)	63,398	36,790	38,037
Contract assets	31,435	16,750	19,685
Other receivables	20,389	17,053	14,271
Trade and other receivables	115,222	70,593	71,993
Receivables from related companies	57	1,285	1,216
Loans to related companies	161,595	5,449	3,039
Receivables from related companies	161,652	6,734	4,255
Prepayments	48,985	22,021	15,199
Prepayments	48,985	22,021	15,199

Maturity analysis for trade receivables:			
- Receivables not due	27,417	16,403	19,706
- Less than 90 days	32,963	18,465	16,906
- Between 91 days and 180 days	1,860	1,001	1,341
- Between 181 days and 360 days	1,104	81	-
- More than 360 days	54	840	84
Carrying amount of trade receivables	63,398	36,790	38,037

Change in provision for trade receivables:			
Provision at 1 January	1,344	1,020	1,623
Net change in provision	4,727	324	-603
Provision 31 December	6,071	1,344	1,020

Trade receivables are non-interest bearing and are generally due within 5 – 30 days.

4.2 INVENTORIES

§ ACCOUNTING POLICIES

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out (FIFO) basis. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expense. Costs of bunkers include the transfer from equity to profit and loss on qualifying cash flow hedges.

USD thousands	2021	2020	January 1st 2020
Bunkers	35,133	19,851	29,804
Inventories	35,133	19,851	29,804
Bunker expenses recognised in profit and loss – continuing operations	*274,199*	*192,911*	

A part of the future bunker consumption has been hedged in accordance with the Group's risk management policy. This is further described in note 5.4 Financial risks.

4.3 RESTRICTED CASH

§ ACCOUNTING POLICIES

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand, short-term deposits with an original maturity of three months or less, and cash balances which are restricted.

USD thousands	2021	2020	January 1st 2020
Cash and cash equivalents	104,953	75,696	92,870
Restricted cash in the form of deposits with clearing houses	31,120	5,128	1,080
Cash and cash equivalents attributable to discontinued operations	-	2,033	326
Cash and cash equivalents, including restricted cash	136,073	82,857	94,276

The Group trades derivative financial instruments through clearing houses. In that connection, the Group has established margin accounts with those clearing houses on which cash is deposited as security. For disposed cash balances related to the divestment of Ultragas ApS, reference is made to note 2.5.

4.4 TRADE AND OTHER PAYABLES

§ ACCOUNTING POLICIES

Trade and other payables

Trade payables, payables to related parties, and other payables are measured at amortised cost.

Contract liabilities

Contract liabilities relate to voyages which are not completed at 31 December. Contract liabilities are recognised when a sales transaction does not fulfil the criteria for revenue recognition but the customer has prepaid for the service delivery. If contract liabilities are beyond one year the contract assets are included in non-current liabilities.

USD thousands	2021	2020	January 1st 2020
Trade payables	64,278	28,430	35,681
Accruals and other payables	24,377	24,729	22,023
Contract liabilities	59,183	34,944	30,244
Trade and other payables	147,838	88,103	87,948
Payables to related parties	3,052	4,501	8,412
Payables to related parties	3,052	4,501	8,412

The contract liability balance at the beginning of the year was recognised as revenue during the reporting period. Outstanding performance obligations will be performed within one year.

Trade payables are non-interest bearing and are normally settled on 30 days terms. Other payables, including accrued expenses, are non-interest bearing and vary in payment terms.

SECTION 5: CAPITAL STRUCTURE

5.1 FINANCIAL ITEMS

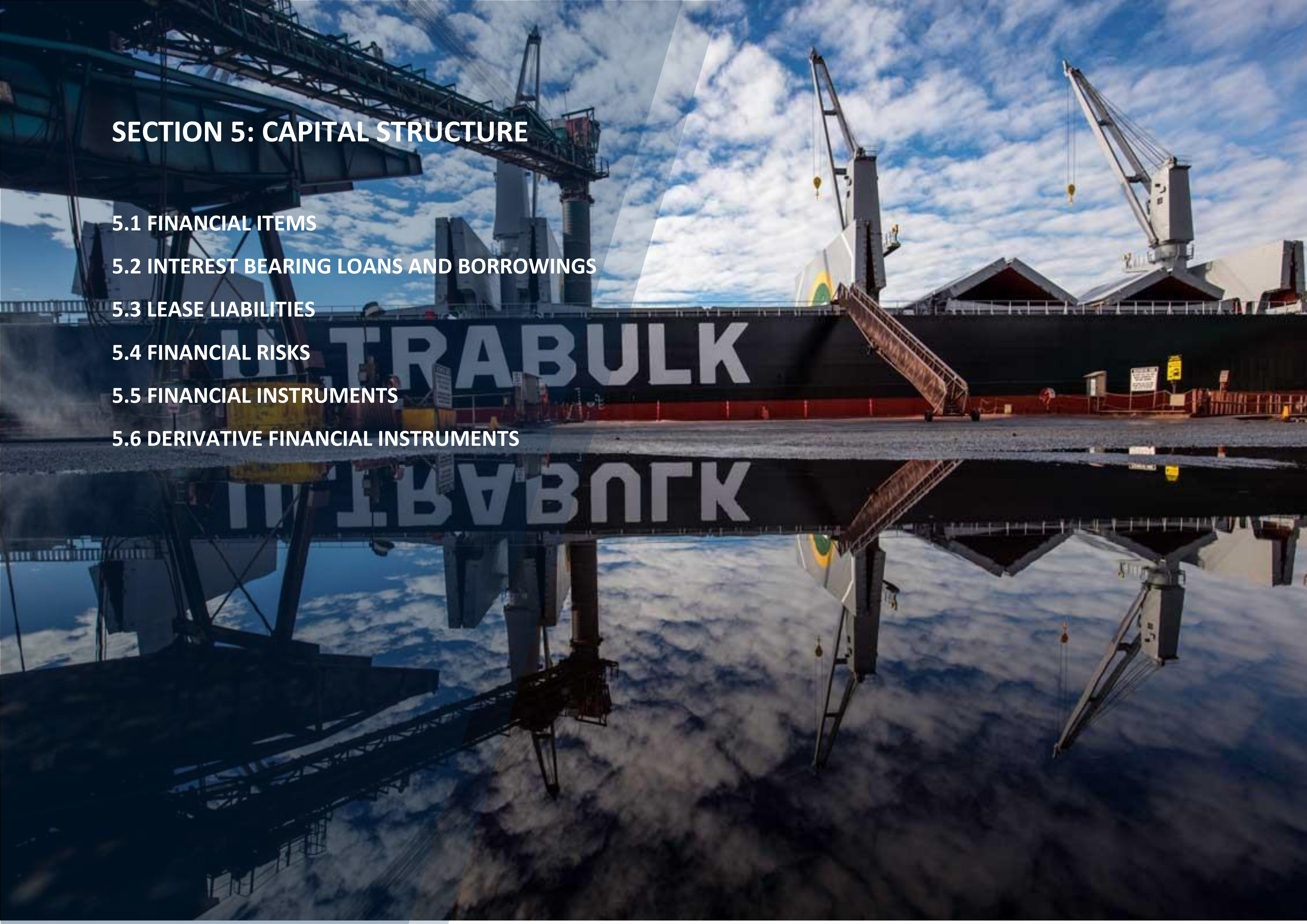
5.2 INTEREST BEARING LOANS AND BORROWINGS

5.3 LEASE LIABILITIES

5.4 FINANCIAL RISKS

5.5 FINANCIAL INSTRUMENTS

5.6 DERIVATIVE FINANCIAL INSTRUMENTS



5.1 FINANCIAL ITEMS

§ ACCOUNTING POLICIES

Financial income and expenses comprise interest income and expense as well as exchange rate differences from transactions denominated in foreign currencies.

USD thousands	2021	2020
Interest income	706	1,523
Gain from modification of lease liabilities	-	3,467
Financial income	706	4,990
Interest expenses on loans	-628	-1,186
Interest expenses on lease liabilities	-11,210	-14,536
Other financial items, net	-729	-704
Financial expenses	-12,567	-16,426

5.2 INTEREST BEARING LOANS AND BORROWINGS

§ ACCOUNTING POLICIES

Loans are recognised at the time the loans are obtained in the amount of the proceeds after deduction of transaction costs. In subsequent periods, the loans are recognised at amortised costs.

		Carrying amount		
USD thousands	Type	2021	2020	January 1st 2020
Interest bearing loans	Fixed	4,822	16,877	18,593
Interest bearing loans	Floating	155,085	12,543	18,592
Interest bearing loans and borrowings		159,907	29,420	32,185
Non-current portion		149,978	18,175	28,486
Current portion		9,929	11,245	3,699
Interest bearing loans and borrowings		159,907	29,420	32,185

The fixed-rate loans are fixed at an interest rate of 3.0% (2020: 3.0% - 3.1%). The floating-rate loans are entered with a fixed margin of 1.3% – 2.4% (2020: 1.3% - 2.1%) + USDLIBOR 6M. The average interest rate on the floating rate interest bearing loan was between 1.9% - 2.65%. The floating loans include a new loan facility established in 2021 on which USD 150 million was drawn at 31 December 2021. The loan includes a financial covenant on a minimum equity which is to be measuared at 31 December 2022. Management assesses that Ultranav Denmark and related guarantors are expected to meet covenants at 31 December 2022.The fair value of the fixed loans is not materially different from the carrying amount.

The loans are subject to financial and operational covenants. Management assesses that Ultranav Denmark and the related company guarantor meet these covenants at 31 December 2021.

Part of the loans USD 9.9 million (2020: 29.4 million) are secured by vessels. The carrying amount of the vessels provided as security is USD 20.1 million (2020: USD 57.4 million).

5.3 LEASE LIABILITIES

§ ACCOUNTING POLICIES

Lease liabilities

At the commencement date of the lease, the Group recognises a lease liability which is measured at the present value of lease payments to be made over the lease term. The service fee included in the payments (non-lease component) is not included as part of the lease liabilities.

The lease term comprises the non-cancellable period with addition of periods covered by options to extend the lease if it is reasonably certain that the extension option will be exercised. This assessment is made on inception of the lease.

The lease payments include fixed payments and variable payments depending on an index or a rate. The lease payments do also include the exercise price of a purchase option if it is reasonably certain that it will be exercised.

In calculating the present value of lease payments, Ultranav Denmark uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments or a change in the assessment to purchase the underlying asset.

Lease contracts for vessels have been entered into with a mutually interminable lease period. As a general rule, lease contracts include an option to renew for one additional year at a time for up to three years.

Some lease contracts include customary option for extension of the lease period. The liability concerning the extension period is only included in lease liabilities if it is reasonably certain the extension period will be exercised.

5.3 LEASE LIABILITIES (CONTINUED)

The development in lease liabilities is explained in the table below:

USD thousands	2021	2020
Lease liabilities 1 January	548,563	630,054
Additions for the period	39,901	79,179
Remeasurements	20,605	-4,551
Instalments made	-168,742	-156,120
Disposals	-186,444	-
Lease liabilities 31 December	253,883	548,562

Non-current portion	125,667	385,395
Current portion	128,216	163,167
Lease liabilities 31 December	253,883	548,562

Of the total lease liabilities related to the continuing operations USD 25.1 million (2020: USD 24.9 million) is related to flexible hire lease contracts. The flexible hire is based upon the Baltic Exchange index and a change in the index of 10% will result in a 10% increase in the hire payment for flexible lease hire contracts.

Leases to which the Group is committed, but for which lease terms have not yet commenced have an undiscounted value of USD 36.5 million (2020: USD 48.0 million).

The total cash outflow from leases for continuing operations in 2021 was USD 868.0 million, (2020: USD 284.4 million) which includes short term leases.

In Ultrabulk, some lease agreements include a purchase option which is typically exercisable as from the end of the fifth year to the expiry of the period of renewal. The Group holds purchase options on approx. two thirds of its leases. Some of the purchase options are, however, shared with third parties which limits the potential gain from exercising such purchase options.

! ACCOUNTING ESTIMATES

Measurement of non-lease components

The Group has elected to separate lease and non-lease components for leases of time charter contracts on vessels. For these contracts, the estimated non-lease component (operating expenses) is excluded from the measurement of right-of-use assets and lease liabilities. Assessing the measurement of the non-lease component involves significant estimates. The measurement of the non-lease component takes several factors into consideration such as operating costs, aging of the vessels, vessel types, etc.

5.4 FINANCIAL RISKS AND BUSINESS RISKS

The market conditions for shipping activities are generally volatile and, as a consequence, the Group's results may vary from year to year. In addition, the Group is exposed to a number of financial risks arising from the Group's normal business activities.

Freight rates

The business model for an operator is to build a portfolio of vessels on one hand and a portfolio of cargoes on the other. Depending on the market expectations the Company can decide to be be long on cargoes (typically when expecting a decrease in freight rates) or long on vessels (typically when expecting an increase in freight rates).

Unexpected fluctuations in freight rates are the key factor affecting cash flows and the value of committed assets. The level of risk depends firstly on the level of such unexpected fluctuations and secondly on the size of the imbalance between the commitments on cargoes and commitments on vessels.

Counterparty risk

Just as fluctuations in freight rates can cause an imbalance in the Group's portfolio of vessels and cargoes ("the book"), such imbalance can also arise if a counterparty is not able or willing to perform its obligations, for example due to the counterparty's solvency or liquidity. This is referred to as the counterparty risk and does typically arise in relation to:

- Contracts of Affreightment (cargo contract containing multiple cargoes, or "CoA")
- Time charter of vessels

The counterparty risk attached to CoAs is highly dependent on a counterparty's solvency and its ability and willingness to fulfil their obligations since a CoA is a commitment over a longer period of time. Typically, our counterparties operate within the commodities industry. Since we keep a balanced book our risk is usually related to vessels expected to perform the CoA, which is then exposed to the market instead.

The counterparty risk attached to time charters both when we take a vessel on timecharter from an owner and when we send out a vessel on timecharter to a charterer is that the counterparty may default and, as a result, the contract terminates early, which again can add to the imbalance of the book.. The other risk is that counterparties whom might have claims against the TC charterer or the Owner of the vessel, might turn their claim towards Ultrabulk, if the TC charterer or owner defaults.

The risk profile of counterparties is determined by the counterparty's solvency and the type of legal contract upon which the deal is based. Counterparty vetting is a significant part of the Group's risk management procedures. Consequently, approvals of counterparties are carried out at senior management level only, and the risk evaluation involves the following elements:

- Positive credit rating report from a based maritime credit rating bureau.
- Positive industry references.
- Satisfactory performance on existing commitments, if any, between Ultrabulk and the counterpart.
- Positive reference from the fuel purchase market.
- Approval of counterparties may vary from one cargo to multiple year contracts.

Single cargo contracts typically do not give rise to a significant counterparty risk as it is industry standard that freight payment is made within very few days of departing from the loading port. It is also an industry standard that the vessel owner has a lien in the cargo, should the freight payment not have been paid prior to the arrival at the discharge port. The counterparty risk on these types of deals is therefore limited.

Forward freight agreements (FFA)

FFAs are utilised both as a hedging instrument (to reduce exposure from an imbalanced portfolio) and economic trading. The Group utilises risk management systems in order to control the market value of all open positions. Based on these risk systems, the Group is able to monitor market positions on a daily basis.

Derivative financial instruments are only entered with highly rated clearing houses, as well as with related companies, which imply that the credit exposures for these transactions are expected to be neglible, therefore the main risk related to FFAs are the cash risk related to collateral on open positions should the market change significantly.

5.4 FINANCIAL RISKS AND BUSINESS RISKS (CONTINUED)

Fuel prices

Some Contracts of Affreightment (cargo contract containing multiple cargoes, or "CoA") and single cargoes are based on fixed freight rates which expose the Company to fluctuations on fuel prices. The Group seeks to reduce the exposure on fluctuating fuel prices through compensation clauses in contracts with clients. Where this is not possible, Ultrabulk uses hedging derivatives to reduce bunker exposure.

Liquidity exposure

It is the Group's objective to maintain a solid cash balance which is sufficient to cover short-term fluctuations in working capital as well as security deposits with clearing houses.

Interest rate risk

Interest rate risks are moderate financial risks for Ultranav Denmark. Management periodically reviews and assesses the primary financial market risks. The primary souce of interest risk for Ultranav Denmark are cash flow risk, where future cash flows are uncertain due to future interest rate movements. A 1%-point increase in interest rates would not result in material impact on profit or equity.

Environment

The majority of the vessels operated by the Group are chartered whereas the majority of risks arising from environmental matters rest with the owners of the vessels. There are, however, situations in which the Group may become liable for certain environmental impacts. The Group is insured against risks arising from these types of incidents.

Piracy

The risk of piracy when navigating in the Gulf of Guinea (West Africa) has increased substantially over the past year. The risks associated with transiting the Gulf of Aden area has on the other hand fortunately decreased a lot. The Company is constantly following the recommendations made by the UN subsidiary International Maritime Organisation (IMO), and the recommendations made by the underwriters as well as "Best Management Practices (BMP5)" – this includes having a contingency plan for all vessels calling the area. We furthermore engage with the Danish Naval representation in the Gulf of Guinea, by exchanging details of our fleet in the area.

5.5 FINANCIAL INSTRUMENTS BY CATEGORY

Carrying amount and fair value of financial items by class of financial assets and liabilities

On the next page is a breakdown of the financial assets into categories as defined in IFRS 9. The fair value is estimated using appropriate market information and valuation methodologies. The carrying amount of cash and cash equivalents and loan payables to bank are a reasonable estimate of their fair value.

Fair value for derivatives and borrowings has been calculated by discounting the expected future cash flows at relevant interest rates. Judgement is required to develop estimates of fair value. Hence, the estimates provided herein are only indicative of the amounts that could be realised in the market.

The contractual cash flows are non-discounted and include all liabilities according to contracts. The USD values of future interests and principal loans in foreign currencies are calculated based on the rates at the balance sheet date.

Categories of financial instruments

The fair value of financial assets and financial liabilities measured at amortized cost is approximately equal to the carrying amount.

Financial instruments measured at fair value are divided in accordance with the following accounting hierarchy:

- Level 1: observable market prices of identical instruments.

- Level 2: valuation models primarily based on observable prices or trading prices of comparable instruments

- Level 3: valuation models primarily based on non-observable prices.

The fair value of all derivative financial instruments, forward exchange contracts and other derivative financial instruments (commodity instruments), is considered fair value measurement at level 2 as the fair value is based on observable pricing information.

5.5 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Tables with carrying amount of financial items by class of financial assets and liabilities

					December 31st 2021					December 31st 2020					January 1st 2020
USD thousands	0-1 Year	1-5 Years	After 5 Years	Contractual cash flow	Carrying amount	0-1 Year	1-5 Years	After 5 Years	Contractual cash flow	Carrying amount	0-1 Year	1-5 Years	After 5 Years	Contractual cash flow	Carrying amount
Recognised at amortised cost															
Financial institutions	13,478	158,756	-	**172,234**	**159,907**	11,629	18,203	3,539	**33,371**	**29,420**	10,799	20,092	17,240	**48,131**	**32,185**
Trade and other payables	147,839	-	-	**147,839**	**147,839**	88,103	-	-	**88,103**	**88,103**	87,948	-	-	**87,948**	**87,948**
Payables to related companies	3,052	-	-	**3,052**	**3,052**	4,501	-	-	**4,501**	**4,501**	8,412	-	-	**8,412**	**8,412**
Lease liabilities	127,875	137,537	-	**265,412**	**253,883**	188,398	388,482	15,147	**592,027**	**548,562**	189,099	495,101	56,345	**740,545**	**630,054**
Total	292,244	296,293	-	588,537	564,681	292,631	406,685	18,686	718,002	670,586	296,258	515,193	73,585	885,036	758,599
Recognised at fair value															
Derivative financial instruments	15,569	948	-	**16,517**	**16,517**	2,273	3,063	-	**5,336**	**5,336**	5,430	1,763	-	**7,193**	**7,193**
Total	15,569	948	-	16,517	16,517	2,273	3,063	-	5,336	5,336	5,430	1,763	-	7,193	7,193
Total financial liabilities	307,813	297,241	-	605,054	581,198	294,904	409,748	18,686	723,338	675,922	301,688	516,956	73,585	892,229	765,792
Recognised at amortised cost															
Cash and restricted cash	136,073	-	-	**136,073**	**136,073**	82,857	-	-	**82,857**	**82,857**	94,276	-	-	**94,276**	**94,276**
Trade and other receivables	115,222	-	-	**115,222**	**115,222**	70,593	-	-	**70,593**	**70,593**	71,993	-	-	**71,993**	**71,993**
Receivables from subleases	12,297	1,243	-	**13,540**	**13,540**	12,297	13,539	-	**25,836**	**25,836**	11,331	25,836	-	**37,167**	**37,167**
Prepayments	48,985	-	-	**48,985**	**48,985**	22,021	-	-	**22,021**	**22,021**	15,199	-	-	**15,199**	**15,199**
Receivables from related companies	1,257	163,270	-	**164,527**	**161,595**	1,897	4,837	-	**6,734**	**6,734**	1,564	2,691	-	**4,255**	**4,255**
Total	313,834	164,513	-	478,347	475,415	189,665	18,376	-	208,041	208,041	194,363	28,527	-	222,890	222,890
Recognised at fair value															
Derivative financial instruments	4,798	1,342	-	**6,140**	**6,140**	3,483	188	-	**3,671**	**3,671**	1,312	1,408	-	**2,720**	**2,720**
Total	4,798	1,342	-	6,140	6,140	3,483	188	-	3,671	3,671	1,312	1,408	-	2,720	2,720
Total financial assets	318,632	165,855	-	484,487	481,555	193,148	18,564	-	211,712	211,712	195,675	29,935	-	225,610	225,610

5.6 DERIVATIVE FINANCIAL INSTRUMENTS

§ ACCOUNTING POLICIES

The Group uses derivative financial instruments such as forward currency contracts, bunker hedges and FFAs to hedge part of risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivate contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to profit or loss.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of bunker hedge and the fair value of FFAs are determined by reference to market values for similar instruments.

For the purpose of accounting, hedges are classified as:

- fair value hedges when hedging the exposure to change in fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk); or
- cash flow hedge when hedging exposure to variability in cash flow that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At time of entering into a hedge relationship, the Group designates and documents the hedge relationship to which the Group wishes to apply for hedge accounting and the risk management objectives and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness requirements.

The criteria for classifying a derivative as a hedging instrument for accounting purposes are as follows:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from the economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged items that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

Hedges which meet the criteria for hedge accounting are accounted for as follows:

Fair value hedges

Derivatives designated as hedging instruments are measured at fair value and changes in fair value are recognised in the income statement. Correspondingly, a change in the fair value of the hedged item attributable to the hedged risk is recognised in the income statement. The fair value hedge accounting is discontinued if the hedging instrument expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for hedge accounting stated above.

Cash flow hedges

Changes in the fair value of a hedging instrument that meet the criteria for cash flow hedge accounting are recognized in other comprehensive income. The ineffective part of the hedging instrument is recognised directly in the income statement. Gains and losses that are recognised in other comprehensive income are taken to the income statement in the same period or periods as the cash flow which comprises the hedged item is recognised in the income statement. The principle also applies if the hedged forecasted transaction results in an asset or liability being recognised in the balance sheet. If the cash flow hedge no longer meets the criteria for hedge accounting, hedge accounting is discontinued. The cumulative gain or loss of the hedging instrument recognised in other comprehensive income remains separately recognised in other comprehensive income until the forecast transaction occurs. If the cash flow hedged transaction is no longer expected to occur, any previously accumulated gain or loss of the hedging instrument that has been recognised in other comprehensive income will be carried to profit or loss. Derivatives not accounted for as hedging instruments are classified as financial assets at fair value through profit or loss and measured at fair value.

5.6 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

§ ACCOUNTING POLICIES (CONT.)

Economic trading

Gains and losses, realised or unrealised, from derivatives used for economic trading are recognised in the income statement.

Determination of fair value

The fair value of financial assets and liabilities is measured on the basis of quoted market prices of financial instruments traded in an active market. If an active market exists, fair value is based on the most recent observed market price at the end of the reporting period.

If an active market does not exist, the fair value is measured according to generally accepted valuation techniques. Market-based parameters are used to measure fair value.

For bunker contracts the price is based on the prices from Platts Bunkerwire. The value of FFAs is assessed on basis of daily recorded prices from the Baltic Exchange.

Bunker hedges

Ultranav Denmark has entered into contracts in order to hedge future bunker expenses. The contracts are accounted for as cash flow hedges, when the criteria hedge accounting are met.

The bunker hedges are entered simultaneously with the Contracts of Affreightment (CoA) or single cargoes, as part of Ultranav Denmark's risk management. The bunker hedges cover the bunker expenses in connection with the CoA and the duration of the bunker hedge is therefore similar to the duration of the CoA. 78% of the nominal value is realised within 1 year and 10% is realised within 1-2 years. The nominal value as at 31.12.2021 is USD 62.3 million and a drop in bunker prices with 10% will have a negative impact of USD 6 million on equity. Ultranav Denmark has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. Hedge ineffectiveness can arise from differences in timing of the cash flows as well as changes to the forecasted amounts. No ineffectiveness has been recognised.

FFA hedges

Ultranav Denmark has entered into contracts in order to hedge future cargo and vessel commitments. The contracts are accounted for as cash flow hedges, when the criterias are in compliance with the criteria for hedge accounting. The FFA hedges are entered simultaneously with the cargo and vessel commitments as part of Ultranav Denmark's risk management. 67% of the nominal value is realised within 1 year and 18% is realised within 1-2 years. The nominal value as at 31.12.2021 is USD 74.7 million and a drop in Baltic Dry rates with 10% will have a positive impact of USD 7 million on equity.

Ultranav Denmark has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. Hedge ineffectiveness can arise from price difference between the Baltic Dry and the actual freight rates and difference in number of days and timing of cash flows. No ineffectiveness has been recognised.

Economic trading in FFAs

In line with its freight trading approach, Ultranav Denmark has entered contracts FFAs for the purpose of economic trading. Changes fair value of contracts classified as economic trading are recognised in profit or loss. Strict control systems are in place to monitor developments and ensuring that risk is constrained at acceptable pre-defined levels, which are duly aligned with our strategy and proportionate with our financial strength.

The nominal value of FFAs classified as economic trading are USD 3.0 million and a drop in Baltic Dry rates with 10% will be insifignicant to profit or loss as well as equity.

Hedge accounting reserve in equity

The hedge accounting reserve in equity is related to cash flow hedging financial derivatives and amount to USD -11.6 million (31 December 2020: USD -1.7 million).

5.6 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Overview of derivative financial instruments at year-end

At year-end, the Group held the following derivatives:

	December 31st 2021					December 31st 2020					January 1st 2020				
USD millions	Nominal	Net Sell Days/MT	Duration Months	Recognised on equity	Fair value	Nominal	Net Sell Days/MT	Duration Months	Recognised on equity	Fair value	Nominal	Net Sell Days/MT	Duration Months	Recognised on equity	Fair value
Hedge accounting applied															
Interest rate swaps	-	-	-	-	-	2.2	-	1-76	-0.1	-0.1	2.5	-	1-88	-0.2	-0.2
FX hedges (USD/DKK)	6.7	-	1-12	-0.1	-0.1	11.1	-	1-12	0.3	0.3	9.8	-	1-12	0.2	0.2
FFAs (Days)	74.7	4,260	1-36	-15.8	-15.8	34.7	5,745	1-24	-0.3	-0.3	27.0	2,729	1-24	2.4	2.4
Bunker hedges (MT)	62.3	146,257	1-60	4.3	4.3	40.5	163,348	1-72	-1.5	-1.5	38.5	143,137	1-84	-6.9	-6.9
Hedge accounting not applied															
FFAs (Days)	3.0	135	1-24		1.2	6.6	270	1-12		-0.1	0.9	1	1-12		0.1
Net fair value of derivative instruments					-10.4					-1.7					-4.5

USD millions	Fair value	Fair value	Fair value
Presentation in the Consolidated Financial Statement as:			
Derivative financial instruments, non-current assets	1.3	0.2	1.4
Derivative financial instruments, current asset	4.8	3.5	1.3
Derivative financial instruments, non-current liabilities	-0.9	-3.1	-1.8
Derivative financial instruments, current liabilities	-15.6	-2.3	-5.4
Net fair value of derivative financial instruments	-10.4	-1.7	-4.5

5.6 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Net amount recognised in Other Comprehensive Income

USD millions	2021	2020
Effective portion of changes in fair value from:		
FX hedges	-0.4	0.1
Interest rate swaps	0.1	0.1
Bunker hedges	18.1	-7.5
FFA hedges	-57.7	-0.1
Amounts reclassified to profit and loss:		
FX hedges reclassified to financial items	0.1	-0.1
Interest rate swaps reclassified to financial items	0.0	0.1
Bunker hedges reclassified to voyage related expenses	-12.3	13.0
FFA hedges reclassified to revenue	49.2	-2.7
FFA hedges reclassified to voyage expenses	-7.0	-
Net amount recognised in Other Comprehensive Income	-9.9	2.9

SECTION 6: OTHER NOTES

6.1 REMUNERATION OF MANAGEMENT

Board of Directors & Executive Management

The members of the Board of Directors do not receive any fees or incentives from the Group.

During the year, the former CEO of Ultranav Denmark ApS stepped down and a new CEO was appointed. Both were remunerated by related companies of Ultranav Denmark ApS and received a fee of USD 64 thousands for their services as executive management.

Key management personnel

Key management personnel of the Ultranav Denmark ApS Group further comprise of Executive Management in Ultrabulk A/S. Key management personnel comprise of five members, of which two members do not receive any fees or incentives directly from the Ultranav Denmark ApS Group.

The fee is recognised in “Other external expenses” in the Profit or Loss.The three remaning members are remunerated directly by the Ultranav Denmark ApS Group. Consequently, in 2021, the remuneration included in staff expenses comprise only the remuneration paid to three members of key management personnel.

USD thousands	2021	2020
Fixed salaries	656	630
Pensions – defined contribution plans	31	29
Incentive payments (cash based)	913	-
Total remuneration included in Staff expenses	1,600	659
Remuneration included in other external expenses	56	-
Total remuneration for the Key Management	1,656	659

Key management personnel are subject to a notice of up to 18 months and can resign from Management with a notice of up to 9 months.

Senior Management and a number of employees are covered by a cash-based incentive scheme.

6.2 FEE TO THE STATUTORY AUDITORS

The total fee expensed in the year for statutory auditors breaks down as follows:

USD thousands	2021	2020
Statutory audit	356	301
Other assurance engagements	-	-
Tax assurance services	139	203
Other services	55	55
Fees to statutory auditors	550	559

6.3 CONTINGENT LIABILITIES & COMMITMENTS

§ ACCOUNTING POLICIES

Provisions

Provisions are recognised when Ultranav Denmark has a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation has to be settled and that a reliable estimate of the obligation can be made.

Contingent liabilities

Ultranav Denmark is engaged in certain litigation proceedings. In the opinion of management, settlement or continuation of these proceedings are not expected to have a material effect on Ultranav Denmark ApS financial position, operating profit or cash flow.

The Company is jointly taxed with other companies in the Ultranav Denmark ApS Group. The companies are jointly and unlimited liable for Danish corporation tax and withholding taxes on dividends, interest and royalties in the joint taxation. Any subsequent corrections of joint taxation of income or withholding taxes on dividends, etc, could lead to Company's liability constituting a larger amount.

The Group's Danish companies are jointly and severally liable for the joint registration of VAT.

Guarantees

Ultranav Denmark has issued guarantees for loans to joint ventures. The table below summarises guarantees at year-end:

USD thousands	2021	2020	2019
Guarantees			
The Group has issued guarantees for loans to joint ventures	22,800	25,250	28,828
The Group has issued guarantees for credit facilities in related companies	50,000	-	-
Total	72,800	25,250	28,828

Short term leases and low value leases

The Group has recognized right-of-use assets in line with IFRS 16, except for short term and low value leases. The table below summarises future commitments on short term and low value leases which are entered at year-end:

USD thousands	2021	2020
Short term leases and low value leases continuing operations		
Within one year	123,742	15,820
Total	123,742	15,820

COAs and Time Charter commitments as service provider

At 31 December, the Group had entered into COAs and time charters with customers amounting to:

USD thousands	2021	2020
COAs and Time Charter commitments as service provider continuing operations		
Within one year	230,391	140,742
Between 1 – 5 years	224,037	267,291
More than 5 years	6,640	47,647
Total	461,068	455,680

6.4 OTHER NON-OPERATING CASH ITEMS (CASH-FLOW)

USD thousands	2021	2020
Gain on sale of vessels, plant, and equipment	-3,000	-4,252
Gain on divestment of subsidiaries and activities	-7,543	-
Depreciation and impairment loss	153,329	158,364
Share of gain/loss in associated companies	375	310
Share of gain/loss in joint venture	-48	7,088
Interest expenses on loans	722	1,047
Interest expenses on lease liabilities	15,646	23,397
Modification of lease liabilities	-	-3,467
Net forward contract activity	-158	79
Other non-cash operating items	-1,967	808
Total	157,357	183,374

6.5 CHANGE IN WORKING CAPITAL (CASH-FLOW)

USD thousands	2021	2020
Change in receivables	-84,162	-5,755
Change in inventories	-17,323	9,953
Change in liabilities	66,494	-3,758
Total	-34,991	440

6.6 CHANGES IN LIABILITIES (CASH FLOW)

Changes in liabilities arising from finance activities

2021

USD thousands	1 January	Cash flow	Divestment of subsidiaries and activities	Other	31 December
Current interest-bearing loans and borrowings	11,245	-19,979	-	18,663	9,929
Lease liabilities	548,562	-168,743	-186,443	60,506	253,883
Non-current interest-bearing loans and borrowings	18,175	149,978	-	-18,175	149,978
Total liabilities from financing activities	577,982	-38,744	-186,443	60,994	413,790

2020

USD thousands	1 January	Cash flow	Divestment of subsidiaries and activities	Other	31 December
Current interest-bearing loans and borrowings	3,699	-3,699	-	11,245	11,245
Lease liabilities	630,054	-156,120	-	74,628	548,562
Non-current interest-bearing loans and borrowings	28,486	-	-	-10,311	18,175
Total liabilities from financing activities	662,239	-159,819	-	75,562	577,982

The category ‘Other’ comprise primarily of additions and remeasurements of lease liabilities as well as transfers between current and non-current portions. Reference is made to note 5.3 – Lease liabilities.

6.7 RELATED PARTY DISCLOSURES

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:

The ultimate holding company Naviera Ultranav Dos Limitada, Av, El Bosque Norte 500 Piso 19-20, 7550092 Las Condes, Santiago Chile.

Transactions with related parties

The table below summarises transactions made in the financial year and amounts owed at year-end:

	Sales/(Purchases)		Amounts owed by/(to)	
USD thousands	2021	2020	2021	2020
Related companies				
Charter hire	20,434	-	-	-
Management fee income	100	-	-	-
Management fee expense	-2,022	-2,000	-	-
Loans & interests	192	-	155,192	-
Other receivables and payables	-	-	-2,826	-596
Guarantees			50,000	
Joint Ventures & Associates				
Charter hire	-20,962	-15,492	-169	-315
Guarantees	-	-	22,800	25,250
Loans	188	187	6,403	5,450

6.8 SHARE CAPITAL

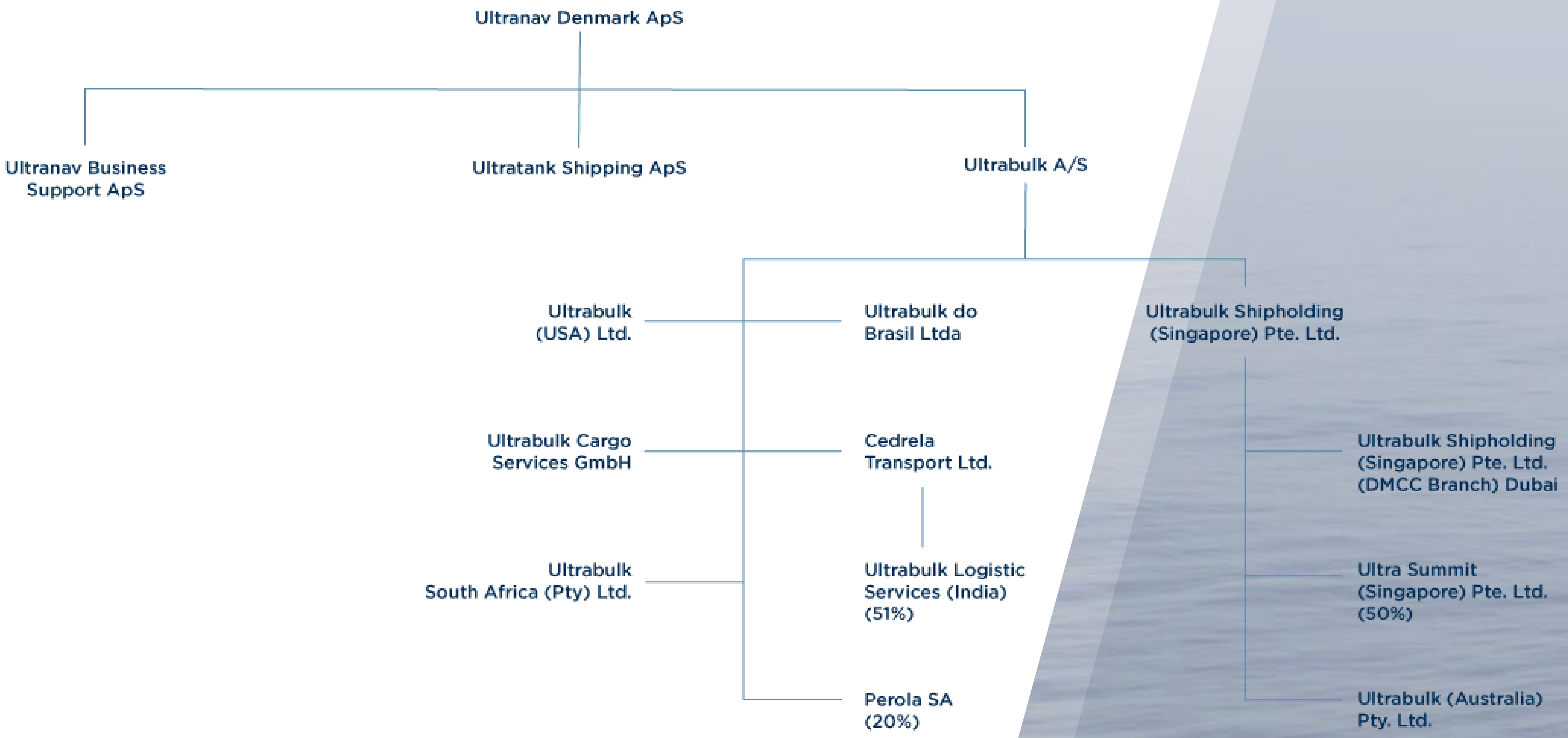
The share capital is split in 602,490 shares a 100 DKK and 6,000,000 shares a 10 DKK, in total nominal share capital of 120,249,000 DKK. There has been no changes in the share capital over the last 5 years.

6.9 EVENTS AFTER THE BALANCE SHEET DATE

Disclosure of events after the balance sheet date

No events have occurred after the balance sheet date that materially affects the financial position of the Group

6.10 GROUP STRUCTURE



PARENT COMPANY FINANCIAL STATEMENTS

Activities comprise holding of shares in subsidiaries, Joint Ventures, and Associated Companies, as well as group funding and cash management.

In the Parent Company Financial Statements, shares in subsidiaries are recognised at cost, cf. note 3, and dividends from subsidiaries and associated companies are recognised as income.

The net loss for the year was USD 35,873 thousands (2020: profit of USD 9,964 thousands), which was linked to the divestment of Ultragas ApS as the value of the consideration received, comprising of shares in Navigator Holding Ltd., was significantly below the cost price of shares held in Ultragas ApS.

The Board of Directors of the subsidiary Ultrabulk A/S have proposed a dividend of USD 45 million for the year end 31 December 2021 which in turn would increase the liquidity ratio of Ultranav Denmark ApS significantly during the first quarter of 2022.

PROFIT OR LOSS

USD thousands	Note	2021	2020
Other external expenses	2	-196	-165
Operating profit (EBIT)		-196	-165
Result from investment in subsidiaries	3	-34,926	10,485
Financial expenses, and other financial items, net		-106	94
Profit/loss before tax		-35,228	10,414
Tax		-645	-450
Profit/loss for the period	**4**	**-35,873**	**9,964**

Note 6 Contingent liabilities
Note 7 Related party transactions
Note 8 Events after the balance sheet date

BALANCE SHEET

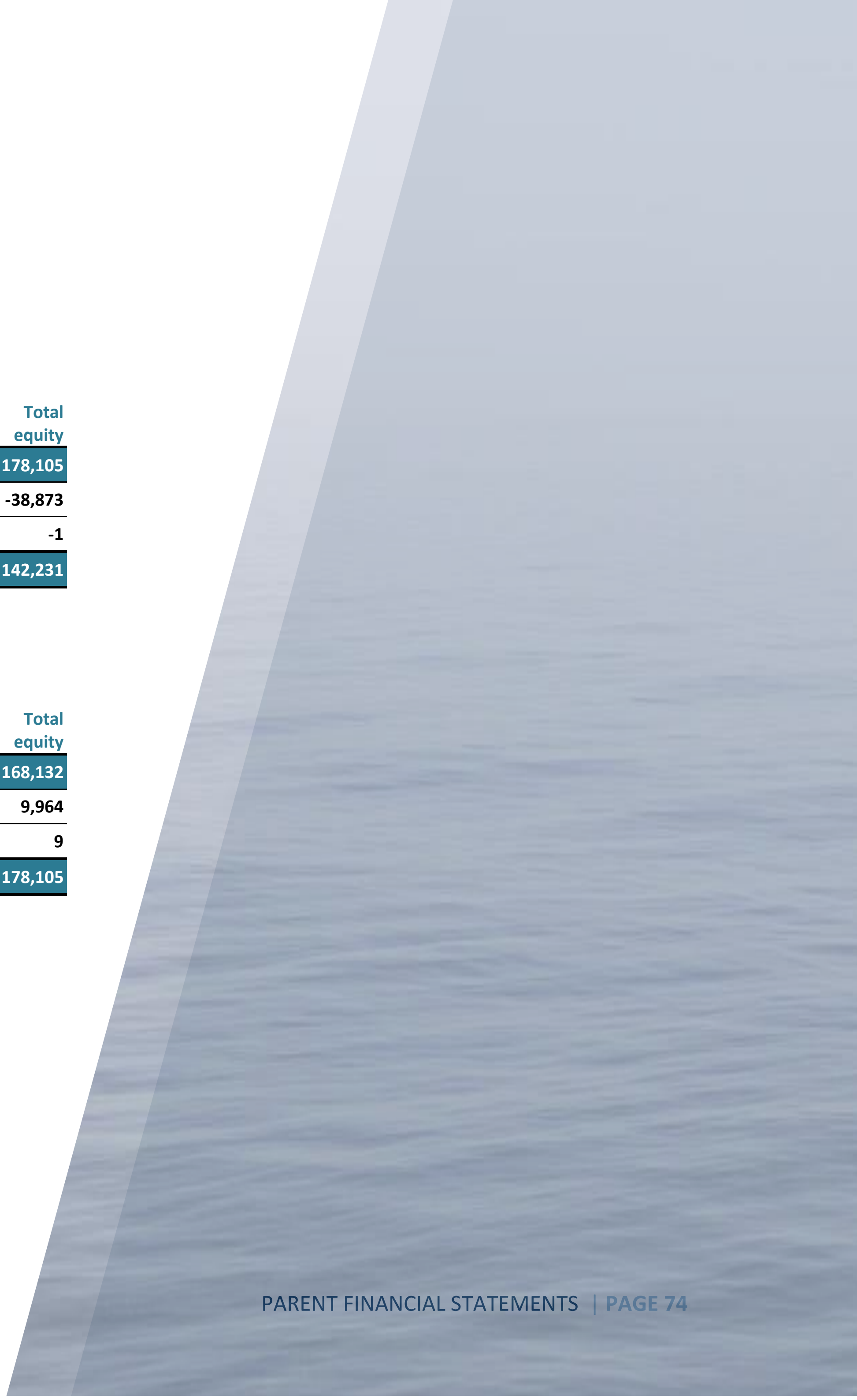
USD thousands	Note	2021	2020
Investments in listed shares		7,645	-
Investments in subsidiaries	3	133,847	171,165
Loans receivable from related companies	5	155,000	5,450
Total non-current assets		296,492	176,615
Other receivables	7	11	246
Loans receivable from related companies	8	192	73
Income tax receivable		380	-
Cash and short-term deposits		41,292	1,266
Total current assets		41,875	1,585
TOTAL ASSETS		**338,367**	**178,200**

USD thousands	Note	2021	2020
Share capital		20,577	20,577
Retained earnings		121,654	157,528
Total equity		142,231	178,105
Interest bearing loans and borrowings	6	149,978	-
Deferred tax		645	-
Total non-current liabilities		150,623	-
Trade and other payables		149	95
Interest bearing loans and borrowings	6	286	-
Loans payable to related parties		45,078	-
Total current liabilities		45,513	95
Total liabilities		196,136	95
TOTAL EQUITY AND LIABILITIES		**338,367**	**178,200**

STATEMENT OF CHANGES IN EQUITY

USD thousands	Share capital	Retained earnings	Proposed dividend	**Total equity**
Equity as 1 January 2021	**20,577**	**157,528**	**-**	**178,105**
Net result	-	-35,873	-	**-38,873**
Other changes	-	-1	-	**-1**
Equity as 31 December 2021	**20,577**	**121,654**	**-**	**142,231**

USD thousands	Share capital	Retained earnings	Proposed dividend	**Total equity**
Equity as 1 January 2020	**20,577**	**147,555**	**-**	**168,132**
Net result	-	9,964	-	**9,964**
Other changes	-	9	-	**9**
Equity as 31 December 2020	**20,577**	**157,528**	**-**	**178,105**



1 BASIS OF REPORTING

§ GENERAL ACCOUNTING POLICIES

The Parent Company Financial Statements of Ultranav Denmark ApS have been prepared pursuant to the provisions for large class C enterprises of the Danish Financial Statements Act.

The accounting policies of The Parent Company Financial Statements are unchanged compared to last year.

The Company's business is primarily based on the US Dollar. All income in the form of freight income is in US Dollar, and most costs are in US Dollars as well. Based on this, the Company has designated the US Dollar as its functional and reporting currency. Consequently, all amounts are recognised in US Dollar. For USD conversion rate to DKK please refer to note 1.1 of the consolidated financial statements.

The Consolidated Financial Statements have been prepared in accordance with IFRS. The accounting policies applied for the Consolidated Financial Statements regarding recognition and measurement have also been applied for the Parent Company with the below exemptions.

With reference to the provisions of the Danish Financial Statements Act §86 para. 4., the Company has refrained from preparing a cash flow statement in the Parent Company Financial Statements. For this information, see the Consolidated Financial Statements for Ultranav Denmark ApS.

2 OTHER EXTERNAL EXPENSES

In accordance with section 96 para 3 of the Danish Financial Statements Act, the Company has not disclosed the remuneration to the auditors for the parent company. Please refer to note 6.2 in the Consolidated Financial Statements.

3 INVESTMENTS IN SUBSIDIARIES

§ ACCOUNTING POLICIES

Dividends from investment in subsidiaries

Dividend from investments in subsidiaries and associates are recognised as income in the Parent's income statement under financial income in the financial year in which dividends are declared.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Impairment tests are conducted when indications of impairment exists. Write-down is made to the recoverable amount if this is lower than the carrying amount.

Impairment assessment

Management has prepared an impairment assessment of the investments in subsidiaries based on the equity value compared to the carrying amount of the investments. The impairment assessment did not show any indications of impairments, hence no further procedures have been performed.

USD thousands	2021	2020
Cost at 1 January	171,165	165,365
Additions for the year	5,450	5,800
Disposals	-42,768	-
Cost at 31 December	133,847	171,165
Carrying amount at 31 December	133,847	171,165

Specification of direct investments	Registered office	Ownership
Ultrabulk A/S	Gentofte	97%
Ultratank ApS	Gentofte	100%
Ultranav Business Support ApS	Gentofte	100%

Divestment of the Ultragas Business activities

Ultragas ApS has been sold at 4th of August 2021 to Navigator Holdings Ltd., which is disclosed at the group note 2.5. In the profit or loss for the period, a loss of USD 35.1 million has been recognised in relation to the divestment of the shares in Ultragas ApS from Ultranav Denmark ApS.

4 ALLOCATION OF RESULT

USD thousands	2021	2020
Retained earnings	-35,873	9,964
Allocation of result	-35,873	9,964

5 LOANS RECEIVABLE FROM RELATED COMPANIES

Reference is made to note 4.1 in the consolidated financial statements.

6 INTEREST BEARING LOANS AND BORROWINGS

§ ACCOUNTING POLICIES

Loans are recognised at the time the loans are obtained in the amount of the proceeds after deduction of transaction costs. In subsequent periods, the loans are recognised at amortised costs.

The floating-rate interest bearing loan is entered in several tranches with a fixed margin between 1.68% - 2.40% + USDLIBOR 6M. The average interest rate on the floating rate interest bearing loan was between 1.9% - 2.65%.

The fair value of the fixed loans is not materially different from the carrying amount. The loans are subject to financial and operational covenants. Management assesses that Ultranav Denmark and the related company guarantor meet these covenants at 31 December 2021.

7 CONTINGENT LIABILITIES

Ultranav Denmark ApS is in joint taxation with other companies in the Group. For further disclosures, refer to the Consolidated Financial Statements note 6.3.

8 RELATED PARTY DISCLOSURES

Reference is made to note 6.7 in the consolidated financial statements, for related party transactions with other than wholly owned subsidiaries of Ultranav Denmark ApS.

In accordance with section 98c(3) of the Danish Financial Statements Act, the Company has not disclosed any related party transactions with its wholly owned subsidiaries.

Ownership:
The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:

The ultimate holding company of Ultranav Denmark ApS is Naviera Ultranav Dos Limitada, Av, El Bosque Norte 500 Piso 19-20, 7550092 Las Condes, Santiago, Chile.

9 EVENTS AFTER THE BALANCE SHEET DATE

For subsequent events, reference is made to note 6.9 in the Consolidated Financial Statements.

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