

**Monjasa Chartering ApS
Central Business Registration No
33245866
Strevelinsvej 34
7000 Fredericia**

Annual report 2015

The Annual General Meeting adopted the annual report on 31.05.2016

Chairman of the General Meeting

Name: Jens V. Mathiassen

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Entity details

Entity

Monjasa Chartering ApS
Strevelinsvej 34
7000 Fredericia

Central Business Registration No: 33245866

Registered in: Fredericia

Financial year: 01.01.2015 - 31.12.2015

Executive Board

Jan Jacobsen
Anders Østergaard
Kenneth Henriks

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Monjasa Chartering ApS for the financial year 01.01.2015 - 31.12.2015.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

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

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

Fredericia, 31.05.2016

Executive Board

Jan Jacobsen

Anders Østergaard

Kenneth Henriks

Independent auditor's reports

To the owners of Monjasa Chartering ApS

Report on the financial statements

We have audited the financial statements of Monjasa Chartering ApS for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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 Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Independent auditor's reports

København, 31.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Kåre Valtersdorf
State Authorised Public Accountant

Peter Aslak Storgaard
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The main activity of the Company is to charter commercial vessels from external parties and chartering these vessels to Group companies.

Development in activities and finances

The result for the year shows a profit at 124.951 USD, against a profit last year at 122.137 USD. The profit for the year is satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B.

Changes in accounting policies

The Company has changed accounting policy regarding functional currency, which has been changed from Danish Kroner (DKK) to U.S. Dollars (USD). The change is based on the assessment that most sales and purchase transactions, financing as well as internal reporting are prepared in USD. The change in accounting policy means that fluctuations in USD/DKK will have less impact on the annual report and it is Management's assessment that a presentation in USD gives a better view of the Financial Statement.

The translation from DKK to USD has been made so that Monetary balances from previous years has been recalculated with the official currency rates as of the date of the balances and non-monetary balances has been recalculated by the official currency rate as of the date of the actual transaction. Transactions in the income statement has been recalculated by the official currency rate as of the date of the actual transaction

The change in accounting policies means that total equity in the comparative numbers in the 2015 annual report is USD 343,051 compared to DKK 2,142,962 in the official annual report for 2014. Assets are USD 2,303,518 compared to DKK 13,426,042, gross profit is USD 379,381 compared to DKK 1,926,457 and net profit is USD 122,137 compared to DKK 947,223.

As all transactions in 2015 have been registered in USD, it has been impracticable to disclose the numbers for 2015 as if DKK had been used as the functional currency.

Except for the above, accounting policies are unchanged compared to previous year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Accounting policies

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the operations and chartering activity is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises costs of sales and charterhire for the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for stationery and office supplies, etc. This item also includes write-downs of receivables recognised in current assets.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

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

The Entity is jointly taxed with the Danish Parent Company. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Accounting policies

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Income statement for 2015

	<u>Notes</u>	<u>2015 USD</u>	<u>2014 USD</u>
Gross profit		142.410	379.381
Other financial income	1	75.353	22.528
Other financial expenses	2	(40.452)	(12.742)
Profit/loss from ordinary activities before tax		177.311	389.167
Tax on profit/loss from ordinary activities	3	(52.360)	(267.030)
Profit/loss for the year		124.951	122.137
 Proposed distribution of profit/loss			
Dividend for the financial year		0	326.723
Retained earnings		124.951	(204.586)
		124.951	122.137

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 USD</u>	<u>2014 USD</u>
Deposits		0	138.938
Fixed asset investments		0	138.938
Fixed assets		0	138.938
Trade receivables		0	205.000
Receivables from group enterprises		286.772	791.537
Other short-term receivables		962	120.172
Prepayments		333.688	1.017.737
Receivables		621.422	2.134.446
Cash		13.660	30.134
Current assets		635.082	2.164.580
Assets		635.082	2.303.518

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 USD</u>	<u>2014 USD</u>
Contributed capital		14.975	14.975
Retained earnings		126.304	1.353
Proposed dividend		0	326.723
Equity		<u>141.279</u>	<u>343.051</u>
Trade payables		31.701	248.298
Debt to group enterprises		409.742	1.295.000
Income tax payable		52.360	290.530
Other payables		0	126.639
Current liabilities other than provisions		<u>493.803</u>	<u>1.960.467</u>
Liabilities other than provisions		<u>493.803</u>	<u>1.960.467</u>
Equity and liabilities		<u><u>635.082</u></u>	<u><u>2.303.518</u></u>

Consolidation

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Statement of changes in equity for 2015

	Contributed capital USD	Retained earnings USD	Proposed dividend USD	Total USD
Equity beginning of year	14.975	1.353	326.723	343.051
Ordinary dividend paid	0	0	(326.723)	(326.723)
Profit/loss for the year	0	124.951	0	124.951
Equity end of year	14.975	126.304	0	141.279

Notes

	2015	2014
	USD	USD
1. Other financial income		
Financial income arising from group enterprises	12.246	12.405
Interest income	1	26
Exchange rate adjustments	63.106	10.097
	75.353	22.528
	2015	2014
	USD	USD
2. Other financial expenses		
Financial expenses from group enterprises	6.077	1.329
Interest expenses	216	90
Other financial expenses	34.159	11.323
	40.452	12.742
	2015	2014
	USD	USD
3. Tax on ordinary profit/loss for the year		
Current tax	52.360	265.690
Adjustment relating to previous years	0	1.340
	52.360	267.030

4. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Monjasa Holding A/S, Fredericia