
Stenwec I P/S

Tuborg Boulevard 12, 2., DK-2900 Hellerup

Annual Report for 1 January - 31 December 2017

CVR No 33 37 65 61

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
31/5 2018

Morten Rich
Chairman



pwc

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Stenwec I P/S for the financial year 1 January - 31 December 2017.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company operations for 2017.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hellerup, 31 May 2018

Executive Board

Johnny Schmølker

Board of Directors

Lars Erik Hånell

Rasmus Lund-Jacobsen

Oluf Myhrmann

Johnny Schmølker

Independent Auditor's Report

To the Shareholders of Stenwec I P/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Stenwec I A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion

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

Management's responsibilities for the Financial Statements

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

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

Independent Auditor's Report

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent Auditor's Report

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.

Hellerup, 31 May 2018

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mikkel Sthyr
State Authorised Public Accountant
mne26693

René Otto Poulsen
State Authorised Public Accountant
mne26718

Company Information

The Company

Stenwec I A/S
Tuborg Boulevard 12, 2.
DK-2900 Hellerup

CVR No: 33 37 65 61
Financial period: 1 January - 31 December
Incorporated: 15 December 2010
Financial year: 7th financial year
Municipality of reg. office: Gentofte

Limited Partner

Komplementarselskabet Stenwec ApS

Board of Directors

Lars Erik Hånell
Rasmus Lund-Jacobsen
Oluf Myhrmann
Johnny Schmølker

Executive Board

Johnny Schmølker

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement

1 January - 31 December 2017

	Note	2017 TUSD	2016 TUSD
Gross profit/loss		2.879	2.303
Depreciation and amortisation of property, plant and equipment	2	-1.531	-893
Profit/loss before financial income and expenses		1.348	1.410
Financial income		11	0
Financial expenses		-1.044	-597
Profit/loss before tax		315	813
Tax on profit/loss for the year		0	0
Net profit/loss for the year		315	813

Distribution of profit

Proposed distribution of profit

Retained earnings	315	813
	315	813

Balance Sheet 31 December

Assets

	Note	2017 TUSD	2016 TUSD
Vessel		36.154	37.685
Property, plant and equipment	3	36.154	37.685
Fixed assets		36.154	37.685
Inventories		98	105
Trade receivables		0	396
Other receivables		793	1.853
Receivables		793	2.249
Cash at bank and in hand		2.982	1.851
Currents assets		3.873	4.205
Assets		40.027	41.890

Balance Sheet 31 December

Liabilities and equity

	Note	2017 TUSD	2016 TUSD
Share capital		13	13
Retained earnings		13.648	13.333
Equity		13.661	13.346
Credit institutions		21.842	23.589
Long-term debt	4	21.842	23.589
Credit institutions	4	1.747	1.747
Payables to group enterprises		2.102	2.280
Other payables		675	928
Short-term debt		4.524	4.955
Debt		26.366	28.544
Liabilities and equity		40.027	41.890
Main activity	1		
Contingent assets, liabilities and other financial obligations	5		
Accounting Policies	6		

Statement of Changes in Equity

	<u>Share capital</u> TUSD	<u>Retained earnings</u> TUSD	<u>Total</u> TUSD
Equity at 1 January	13	13.333	13.346
Net profit/loss for the year	<u>0</u>	<u>315</u>	<u>315</u>
Equity at 31 December	<u>13</u>	<u>13.648</u>	<u>13.661</u>

Notes to the Financial Statements

1 Main activity

The primary activity of the company is directly or by possession of equity in other companies, to do business related to shipping or other business after the Executive Board's discretion associated therewith.

	<u>2017</u> TUSD	<u>2016</u> TUSD
2 Depreciation and amortisation of property, plant and equipment		
Depreciation of property, plant and equipment	1.531	893
	<u>1.531</u>	<u>893</u>

3 Property, plant and equipment

	<u>Vessel</u> TUSD
Cost at 1 January	38.578
Cost at 31 December	38.578
Impairment losses and depreciation at 1 January	893
Depreciation for the year	1.531
Impairment losses and depreciation at 31 December	2.424
Carrying amount at 31 December	<u>36.154</u>
Depreciated over	<u>25 years</u>

Notes to the Financial Statements

4 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2017</u> TUSD	<u>2016</u> TUSD
Credit institutions		
After 5 years	14.852	16.600
Between 1 and 5 years	6.990	6.989
Long-term part	<u>21.842</u>	<u>23.589</u>
Within 1 year	<u>1.747</u>	<u>1.747</u>
	<u>23.589</u>	<u>25.336</u>

5 Contingent assets, liabilities and other financial obligations

Contractual obligations

The company contractual obligations relating to ship management of vessel total TUSD 60.

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Stenwec I A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2017 are presented in TUSD. Applied USD exchange rate on the 31 December 2017: 620,77 (2016: 705,28)

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

6 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Expenses for tankers

Expenses for tankers comprise the raw materials and consumables consumed to achieve revenue for the enterprise.

Other external expenses

Other external expenses comprise office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

The Company is not an independent tax subject, consequently no tax has been included in the annual report.

Notes to the Financial Statements

6 Accounting Policies (continued)

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Vessels	25 years
Docking	5 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Bunkers

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.