
Cargo Captains A/S

Tuborg Parkvej 10, c/o Thorco Shipping A/S, DK-
2900 Hellerup

Annual Report for 1 January - 31 December 2018

CVR No 34 08 39 75

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
4 /6 2019

Jesper Ringsholm
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Cargo Captains A/S for the financial year 1 January - 31 December 2018.

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 2018 of the Company and of the results of the Company operations for 2018.

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

Hellerup, 4 June 2019

Executive Board

Thomas Nørballe Mikkelsen

Board of Directors

Thor Stadil
Chairman

Jesper Malik Møller Ringsholm

Thomas Nørballe Mikkelsen

Independent Auditor's Report

To the Shareholder of Cargo Captains A/S

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the Basis for adverse opinion paragraph, the Financial Statements do not give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Cargo Captains A/S for the financial year 1 January - 31 December 2018, 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 Adverse Opinion

The Company has a significant negative equity. Negotiations with the Company's investors are being conducted about contribution of capital, making financing available for the continued operations of the Company. No binding capital or financing agreements have been entered into. Thus, the assumption that Company is able to continue on a going concern basis is subject to uncertainty.

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 adverse 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 consi-

Independent Auditor's Report

dered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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.

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.

Independent Auditor's Report

Hellerup, 4 June 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Line Hedam

State Authorized Public Accountant

mne27768

Bo Schou-Jacobsen

State Authorized Public Accountant

mne28703

Company Information

The Company

Cargo Captains A/S
Tuborg Parkvej 10
c/o Thorco Shipping A/S
DK-2900 Hellerup

CVR No: 34 08 39 75
Financial period: 1 January - 31 December
Municipality of reg. office: Gentofte

Board of Directors

Thor Stadil, Chairman
Jesper Malik Møller Ringsholm
Thomas Nørballe Mikkelsen

Executive Board

Thomas Nørballe Mikkelsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> USD	<u>2017</u> USD
Gross loss		-156.576	-1.345
Financial income		274	0
Financial expenses		<u>-451</u>	<u>-403</u>
Profit/loss before tax		-156.753	-1.748
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Net profit/loss for the year		<u>-156.753</u>	<u>-1.748</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>-156.753</u>	<u>-1.748</u>
		<u>-156.753</u>	<u>-1.748</u>

Balance Sheet 31 December

	Note	2018 USD	2017 USD
Assets			
Receivables from group enterprises		40.473	0
Other receivables		5.115	3.679
Deferred tax asset		1.870	0
Receivables		47.458	3.679
Cash at bank and in hand		2.118	35
Currents assets		49.576	3.714
Assets		49.576	3.714
Liabilities and equity			
Share capital		90.542	90.542
Retained earnings		-451.734	-294.981
Equity		-361.192	-204.439
Trade payables		4.682	82
Payables to group enterprises		406.086	208.071
Short-term debt		410.768	208.153
Debt		410.768	208.153
Liabilities and equity		49.576	3.714
Going concern	1		
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Statement of Changes in Equity

	<u>Share capital</u> USD	<u>Retained earnings</u> USD	<u>Total</u> USD
Equity at 1 January	90.542	-294.981	-204.439
Net profit/loss for the year	0	-156.753	-156.753
Equity at 31 December	90.542	-451.734	-361.192

The companys share capital amounts to TDKK 500.

Notes to the Financial Statements

1 Going concern

The Company is financed by external and and group loans. In order for the Company to continue as a going concern, it must be possible to extend the existing financing agreements and to procure liquidity for continued operations. At this time, no agreements securing continued operations have been made. Consequently, the Company's ability to continue as a going concern, and thus its ability to meet its commitments as they fall due, is subject to uncertainty. Management expects financing to be procured to continue the planned activities.

2 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

3 Key activities

Company is to carry the business of ship owning, chartering, purchase and other shipping activities together with any other business which in judgement of the Board of Directors is related.

4 Staff expenses

The company has no employees.

5 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Thornico A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

There are no security and contingent liabilities at 31 December 2018.

Notes to the Financial Statements

6 Group relations

Consolidated Financial Statements

The company is included in the Group annual report of the Parent Company Thornico A/S.

Name	Place of registered office
Thornico A/S	Odense, Danmark

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of Cargo Captains A/S for 2018 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 2018 are presented in USD with exchange rate as at 31. december 2018 - USD 651.94 (31. december 2017 - USD 620.77).

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.

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.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, as well as office expenses, etc.

Notes to the Financial Statements

7 Accounting Policies (continued)

Gross loss

With reference to section 32 of the Danish Financial Statements Act, gross loss is calculated as a summary of revenue, expenses for raw materials and consumables and other external expenses.

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

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

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.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Financial debts

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