

Arrow Tankers General Partner ApS

Kongens Nytorv 22, 3., 1050 København K

Company reg. no. 36 01 61 67

Annual report

2019

The annual report was submitted and approved by the general meeting on the 18 May 2020.

Kenneth Høeg
Chairman of the meeting

Contents

| | <u>Page</u> |
|--|-------------|
| Reports | |
| Management's report | 1 |
| Auditor's report on compilation of the annual accounts | 2 |
| Management commentary | |
| Company information | 3 |
| Management commentary | 4 |
| Financial statements 1 January - 31 December 2019 | |
| Income statement | 5 |
| Statement of financial position | 6 |
| Notes | 8 |
| Accounting policies | 9 |

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The executive board has today presented the annual report of Arrow Tankers General Partner ApS for the financial year 1 January to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

The executive board considers the requirements of omission of audit of the annual accounts for 2019 as met.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

København K, 18 May 2020

Executive board

Kenneth Høeg
Director

Tim Tofthøj Sørensen
Director

Auditor's report on compilation of the annual accounts

To the shareholders of Arrow Tankers General Partner ApS

We have compiled the financial statements of Arrow Tankers General Partner ApS for the financial year 1 January - 31 December 2019 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the accounting policies, income statement, statement of financial position and notes.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Copenhagen, 18 May 2020

Redmark

State Authorised Public Accountants
Company reg. no. 29 44 27 89

Mark Leerdrup Hansen

State Authorised Public Accountant
mne19802

Company information

The company

Arrow Tankers General Partner ApS
Kongens Nytorv 22, 3.
1050 København K

Company reg. no. 36 01 61 67
Established: 17 June 2014
Financial year: 1 January - 31 December

Executive board

Kenneth Høeg, Director
Tim Tofthøj Sørensen, Director

Auditors

Redmark
Statsautoriseret Revisionspartnerselskab
Dirch Passers Allé 76
2000 Frederiksberg

Management commentary

The principal activities of the company

The company's objective is to be general partner for Arrow Tankers P/S.

Development in activities and financial matters

The results from ordinary activities after tax are DKK 2.742 against DKK 2.962 last year. The management consider the results satisfactory.

Events subsequent to the financial year

After the end of the financial year, the disease COVID19 outbreaks occurred as a result of the spread of Coronavirus. It is estimated that the company may be affected by the outbreak. Although it is at an early stage to assess its effects, it is the management's assessment that the outbreak can result in significant financial consequences for future financial years.

Income statement 1 January - 31 December

All amounts in DKK.

| <u>Note</u> | <u>2019</u> | <u>2018</u> |
|--|--------------|--------------|
| Net turnover | 15.242 | 15.212 |
| Other external costs | -12.500 | -12.250 |
| Results before tax | 2.742 | 2.962 |
| Tax on ordinary results | 0 | 0 |
| Results for the year | 2.742 | 2.962 |
| Proposed appropriation of net profit: | | |
| Transferred to retained earnings | 2.742 | 2.962 |
| Total allocations and transfers | 2.742 | 2.962 |

Statement of financial position at 31 December

All amounts in DKK.

| Assets | | |
|-----------------------------------|----------------------|----------------------|
| <u>Note</u> | <u>2019</u> | <u>2018</u> |
| Current assets | | |
| Amounts owed by group enterprises | <u>50.654</u> | <u>47.912</u> |
| Total receivables | <u>50.654</u> | <u>47.912</u> |
| Total current assets | <u>50.654</u> | <u>47.912</u> |
| Total assets | <u>50.654</u> | <u>47.912</u> |

Statement of financial position at 31 December

All amounts in DKK.

| Equity and liabilities | | | |
|--|--|---------------|---------------|
| <u>Note</u> | | <u>2019</u> | <u>2018</u> |
| Equity | | | |
| 1 | Contributed capital | 50.000 | 50.000 |
| 2 | Results brought forward | -10.846 | -13.588 |
| | Total equity | 39.154 | 36.412 |
| Liabilities other than provisions | | | |
| | Trade creditors | 11.500 | 11.500 |
| | Total short term liabilities other than provisions | 11.500 | 11.500 |
| | Total liabilities other than provisions | 11.500 | 11.500 |
| | Total equity and liabilities | 50.654 | 47.912 |
| 3 Mortgage and securities | | | |
| 4 Contingencies | | | |

Notes

All amounts in DKK.

| | 2019 | 2018 |
|---|----------------|----------------|
| 1. Contributed capital | | |
| Contributed capital 1 January 2019 | 50.000 | 50.000 |
| | 50.000 | 50.000 |
| 2. Results brought forward | | |
| Results brought forward 1 January 2019 | -13.588 | -16.550 |
| Profit or loss for the year brought forward | 2.742 | 2.962 |
| | -10.846 | -13.588 |
| 3. Mortgage and securities | | |
| There are no mortgages or collateral. | | |
| 4. Contingencies | | |
| Contingent liabilities | | |
| The company is general partner for Arrow Tankers P/S. The total liabilities is t.DKK 25.281 as at 31 December 2019. | | |

Accounting policies

The annual report for Arrow Tankers General Partner ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Income statement

Other external costs

Other external costs comprise costs for administration.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Accounting policies

The balance sheet

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Liabilities

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