
NL 1957 A/S

Rungsted Strandvej 113, DK-2960 Rungsted Kyst

Annual Report for 1 January - 31 December 2019

CVR No 36 02 34 73

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
31/03 2020

Christian Thuesen
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 NL 1957 A/S for the financial year 1 January - 31 December 2019.

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 2019 of the Company and of the results of the Company operations for 2019.

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

Rungsted Kyst, 31 March 2020

Executive Board

Rasmus Lund-Jacobsen

Board of Directors

Johan Wedell-Wedellsborg
Chairman

Oluf Myhrmann

Rasmus Lund-Jacobsen

Independent Auditor's Report

To the Shareholder of NL 1957 A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of NL 1957 A/S for the financial year 1 January - 31 December 2019, 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 March 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Flemming Eghoff

State Authorized Public Accountant

mne30221

Mark Philip Beer

State Authorized Public Accountant

mne29472

Company Information

The Company

NL 1957 A/S
Rungsted Strandvej 113
DK-2960 Rungsted Kyst

CVR No: 36 02 34 73
Financial period: 1 January - 31 December
Financial year: 6th financial year
Municipality of reg. office: Hørsholm

Board of Directors

Johan Wedell-Wedellsborg, Chairman
Oluf Myhrmann
Rasmus Lund-Jacobsen

Executive Board

Rasmus Lund-Jacobsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December

| | Note | 2019 TUSD | 2018 TUSD |
|---|------|---------------|--------------|
| Gross profit/loss | | -33 | 40 |
| Income from investments in subsidiaries | | -780 | -700 |
| Financial income | 3 | 1 | 1.165 |
| Financial expenses | 4 | -188 | -1.092 |
| Profit/loss before tax | | -1.000 | -587 |
| Tax on profit/loss for the year | 5 | 40 | 40 |
| Net profit/loss for the year | | -960 | -547 |

Distribution of profit

Proposed distribution of profit

| | | | |
|-------------------|--|-------------|-------------|
| Retained earnings | | -960 | -547 |
| | | -960 | -547 |

Balance Sheet 31 December

Assets

| | Note | 2019 TUSD | 2018 TUSD |
|--|------|--------------|--------------|
| Other fixtures and fittings, tools and equipment | | 0 | 0 |
| Property, plant and equipment | | 0 | 0 |
| Investments in subsidiaries | 6 | 0 | 573 |
| Fixed asset investments | | 0 | 573 |
| Fixed assets | | 0 | 573 |
| Trade receivables | | 0 | 29 |
| Receivables from group enterprises | | 282 | 243 |
| Other receivables | | 0 | 3 |
| Prepayments | | 0 | 1 |
| Receivables | | 282 | 276 |
| Currents assets | | 282 | 276 |
| Assets | | 282 | 849 |

Balance Sheet 31 December

Liabilities and equity

| | Note | 2019 TUSD | 2018 TUSD |
|--|------|--------------|----------------|
| Share capital | | 185 | 185 |
| Retained earnings | | 75 | -18.203 |
| Equity | | 260 | -18.018 |
| Payables to group enterprises | | 20 | 18.860 |
| Other payables | | 2 | 7 |
| Short-term debt | | 22 | 18.867 |
| Debt | | 22 | 18.867 |
| Liabilities and equity | | 282 | 849 |
| Subsequent events | 1 | | |
| Key activities | 2 | | |
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Statement of Changes in Equity

| | Share capital | Retained earnings | Total |
|------------------------------|---------------|-------------------|------------|
| | TUSD | TUSD | TUSD |
| Equity at 1 January | 185 | -18.203 | -18.018 |
| Exchange adjustments | 0 | -12 | -12 |
| Capital contribution | 0 | 19.250 | 19.250 |
| Net profit/loss for the year | 0 | -960 | -960 |
| Equity at 31 December | 185 | 75 | 260 |

Notes to the Financial Statements

1 Subsequent events

The implications of COVID-19 with many governments across the world deciding to "close down their countries" will have great impact on the global economy. Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company.

At this time, it is not possible to calculate the size of the negative COVID-19 impact.

2 Key activities

The primary activity of the company is to do business related to shipping.

3 Financial income

| | 2019 TUSD | 2018 TUSD |
|--|--------------|--------------|
| Interest received from group enterprises | 1 | 101 |
| Exchange adjustments | 0 | 1.064 |
| | <u>1</u> | <u>1.165</u> |

4 Financial expenses

| | | |
|------------------------------------|------------|--------------|
| Interest paid to group enterprises | 188 | 1.092 |
| | <u>188</u> | <u>1.092</u> |

5 Tax on profit/loss for the year

| | | |
|--------------------------|------------|------------|
| Current tax for the year | -40 | -40 |
| | <u>-40</u> | <u>-40</u> |

Notes to the Financial Statements

| | 2019 TUSD | 2018 TUSD |
|---|--------------|--------------|
| 6 Investments in subsidiaries | | |
| Cost at 1 January | 531 | 531 |
| Cost at 31 December | 531 | 531 |
| Value adjustments at 1 January | -7.514 | -6.778 |
| Exchange adjustment | -12 | -36 |
| Net profit/loss for the year | -780 | -700 |
| Value adjustments at 31 December | -8.306 | -7.514 |
| Equity investments with negative net asset value amortised over receivables | 7.775 | 7.556 |
| Carrying amount at 31 December | 0 | 573 |

Investments in subsidiaries are specified as follows:

| Name | Place of registered office | Share capital | Votes and ownership |
|----------------------------|-------------------------------|---------------|------------------------|
| Weco Agencia Maritima S.A. | Spain | 150.000 EUR | 89% |
| Weco USA Inc. | USA | 1.000 USD | 100% |

Notes to the Financial Statements

7 Contingent assets, liabilities and other financial obligations

Contractual 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 Weco 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.

8 Related parties

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

| Name | Place of registered office |
|----------|----------------------------|
| Weco A/S | Hørsholm |

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of NL 1957 A/S for 2019 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 2019 are presented in TUSD. Applied US Dollar exchange rate on the 31st of December 2019: 667,59 (2018: 651.94).

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Weco A/S, the Company has not prepared consolidated financial statements.

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 the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when 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.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

Notes to the Financial Statements

9 Accounting Policies (continued)

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses 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.

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 transaction date rates are recognised in financial income and expenses in the income statement.

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.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Vessel operating costs

Vessel operating costs comprise voyage dependent expenses including raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect costs and expenses.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, vessel operating costs and other external expenses.

Notes to the Financial Statements

9 Accounting Policies (continued)

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

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.

The Company is jointly taxed with Weco A/S. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at USD 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Notes to the Financial Statements

9 Accounting Policies (continued)

Prepayments

Prepayments comprise prepaid expenses concerning hire and insurance.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

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.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

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