Weco Management ApS

Rungsted Strandvej 113, DK-2960 Rungsted Kyst

Annual Report for 22 December 2015 - 31 December 2016

CVR No 37 32 30 12

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 17/5 2017

Rasmus Lund-Jacobsen Chairman



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Weco Management ApS for the financial year 22 December 2015 - 31 December 2016.

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

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and of the results of the Company operations for 2015/16.

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

Rungsted Kyst, 17 May 2017

Executive Board

Johnny Schmølker

Independent Auditor's Report

To the Shareholder of Weco Management ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 22 December 2015 - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Weco Management ApS for the financial year 22 December 2015 - 31 December 2016, 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.

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, 17 May 2017 **PricewaterhouseCoopers** Statsautoriseret Revisionspartnerselskab *CVR No 33 77 12 31*

Flemming Eghoff statsautoriseret revisor Mark Phillip Beer statsautoriseret revisor



Company Information

| The Company | Weco Management ApS Rungsted Strandvej 113 DK-2960 Rungsted Kyst |
|-----------------|-----------------------------------------------------------------------------------------------------------------------|
| | CVR No: 37 32 30 12 Financial period: 22 December 2015 - 31 December 2016 Municipality of reg. office: Hørsholm |
| Executive Board | Johnny Schmølker |
| Auditors | PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup |



Income Statement 22 December 2015 - 31 December 2016

| | Note | 2015/16 |
|--------------------------------------------------|------|---------|
| | | tDKK |
| | | |
| Gross profit/loss | | 27.369 |
| | | |
| Staff expenses | 3 | -27.637 |
| Profit/loss before financial income and expenses | | -268 |
| | | |
| Financial income | 4 | 468 |
| Financial expenses | 5 | -644 |
| Profit/loss before tax | | -444 |
| Tax on profit/loss for the year | 6 | 5 |
| | | |
| Net profit/loss for the year | | -439 |

Distribution of profit

Proposed distribution of profit

Retained earnings

-439 **-439**

Balance Sheet 31 December 2016

| | Note | 2015/16 |
|------------------------------------|------|---------|
| | | tDKK |
| Assets | | |
| Trade receivables | | 397 |
| Receivables from group enterprises | | 27.826 |
| Receivables from associates | | 1.615 |
| Other receivables | | 245 |
| Receivables | | 30.083 |
| Currents assets | | 30.083 |
| Assets | | 30.083 |

Liabilities and equity

| Share capital | 50 |
|------------------------------------------------------------------|--------|
| Retained earnings | -439 |
| Equity | -389 |
| | |
| Trade payables | 333 |
| Payables to group enterprises | 26.277 |
| Other payables | 3.862 |
| Short-term debt | 30.472 |
| Debt | 30.472 |
| Liabilities and equity | 30.083 |
| Going concern 1 | |
| Main activity 2 | |
| Contingent assets, liabilities and other financial obligations 7 | |
| Related parties 8 | |



Statement of Changes in Equity

| | Retained | | |
|------------------------------|---------------|----------|-------|
| | Share capital | earnings | Total |
| | tDKK | tDKK | tDKK |
| Equity at 22 December | 50 | 0 | 50 |
| Net profit/loss for the year | 0 | -439 | -439 |
| Equity at 31 December | 50 | -439 | -389 |

Notes to the Financial Statements

1 Going concern

The Company has lost the nominal share capital. Management has complied with section 119 of the Danish Companies Act. Management expects to re-establish nominal share capital, with a profit expected for 2017. In addition, the Company's Parent Company have committed financial support, which are valid until the Annual General Meeting in 2018. The financial Statements are therefore presented on a going concern assumption.

2 Main activity

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

| | | 2015/16 |
|---|------------------------------------------|---------|
| 3 | Staff expenses | tDKK |
| 5 | Suit expenses | |
| | Wages and salaries | 22.073 |
| | Pensions | 2.251 |
| | Other social security expenses | 253 |
| | Other staff expenses | 3.060 |
| | | 27.637 |
| | Average number of employees | 21 |
| 4 | Financial income | |
| | Interest received from group enterprises | 177 |
| | Exchange adjustments | 291 |
| | | 468 |
| 5 | Financial expenses | |
| | Interest paid to group enterprises | 640 |
| | Other financial expenses | 4 |
| | | 644 |
| | | |



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Notes to the Financial Statements

| | | 2015/16 |
|---|------------------------------------------------------------------------|---------|
| 6 | Tax on profit/loss for the year | tDKK |
| | Current tax for the year | 5 |
| | | 5 |
| 7 | Contingent assets, liabilities and other financial obligations | |
| | Rental and lease obligations | |
| | Lease obligations under operating leases. Total future lease payments: | |
| | Within 1 year | 680 |
| | | 680 |

Other 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

Weco A/S

Place of registered office

Hørsholm

Basis

2015/16

Notes, Accounting Policies

Basis of Preparation

The Annual Report of Weco Management ApS for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Financial Statements for 2015/16 are presented in tDKK.

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 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 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. 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.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.



Notes, Accounting Policies

Income Statement

Gross profit/loss

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

Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services sold have been transfered 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.

Other external expenses

Other external expenses comprise expenses for premises as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll 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.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

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, Accounting Policies

Financial debts

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

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