
GMI Chartering ApS

Rungsted Havn 36, DK-2960 Rungsted Kyst

Annual Report for 1 January - 31 December 2019

CVR No 37 36 94 54

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
27/8 2020

Christian Overgaard
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 GMI Chartering ApS 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.

Hørsholm, 27 August 2020

Executive Board

Christian Overgaard

Board of Directors

Tim Rosenkrantz Buur
Chairman

Christian Overgaard

Martin Fiil Hildebrandt
Andersen

Independent Auditor's Report

To the Shareholder of GMI Chartering ApS

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 GMI Chartering ApS 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.

Material Uncertainty Related to Going Concern

It should be noted that a material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern. We refer to note 1 to the Financial Statements disclosing the uncertainty.

Our opinion has not been modified in respect of this matter.

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.

Independent Auditor's Report

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.

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, 27 August 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Ulrik Ræbild

statsautoriseret revisor

mne33262

Company Information

The Company

GMI Chartering ApS
Rungsted Havn 36
DK-2960 Rungsted Kyst

CVR No: 37 36 94 54
Financial period: 1 January - 31 December
Municipality of reg. office: Hørsholm

Board of Directors

Tim Rosenkrantz Buur, Chairman
Christian Overgaard
Martin Fiil Hildebrandt Andersen

Executive Board

Christian Overgaard

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
Gross profit/loss		339.474	503.327
Staff expenses	4	-325.216	-444.040
Depreciation of property, plant and equipment	5	0	-36.731
Profit/loss before financial income and expenses		14.258	22.556
Financial expenses	6	-4.646	-27.683
Profit/loss before tax		9.612	-5.127
Tax on profit/loss for the year	7	53.651	-207.222
Net profit/loss for the year		63.263	-212.349

Distribution of profit

Proposed distribution of profit

Retained earnings		63.263	-212.349
		63.263	-212.349

Balance Sheet 31 December

Assets

	Note	2019 DKK	2018 DKK
Trade receivables		50.379	0
Other receivables		0	6.589
Corporation tax receivable from group enterprises		53.651	67.906
Receivables		104.030	74.495
Cash at bank and in hand		46.470	412.255
Currents assets		150.500	486.750
Assets		150.500	486.750

Balance Sheet 31 December

Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		50.000	50.000
Retained earnings		-931.643	-994.906
Equity		-881.643	-944.906
Trade payables		612.624	759.771
Payables to group enterprises		172.696	165.358
Other payables		246.823	506.527
Short-term debt		1.032.143	1.431.656
Debt		1.032.143	1.431.656
Liabilities and equity		150.500	486.750
Going concern and capital loss	1		
Subsequent events	2		
Key activities	3		
Contingent assets, liabilities and other financial obligations	8		
Accounting Policies	9		

Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	50.000	-994.906	-944.906
Net profit/loss for the year	0	63.263	63.263
Equity at 31 December	50.000	-931.643	-881.643

Notes to the Financial Statements

1 Going concern and capital loss

At 31 December 2019, the Company has current assets of DKK 151k against short-term liabilities of DKK 1.032k. At present there are no agreement of financing in place for the Company. The Company are part in two litigations in Singapore and Sierra Leone, which, if the outcome is positive, will have a significant positive impact for the liquidity of the Company. It is managements expectation that the litigations will have a positive outcome, and on this basis management has chosen to prepare the annual report on the basis of going concern.

However, based on the above, there is material uncertainty whether the Company can pay their obligations as they fall due.

With this years result, the Share Capital of the Company is still lost, and are therefore subject to the rules on capital loss in the Companies Act.

2 Subsequent events

The consequences of Covid-19, where governments around the world have decided to "close down" countries, will have a major impact on the world economy. Management considers the impact of Covid-19 as an event arising after the balance sheet date (December 31, 2019), and therefore constitutes a non-regulatory event for the Company.

It is estimated that Covid-19 will have a limited effect on the Company's business and ability as going concern, But at this point in time, it is not possible to determine the exact magnitude of the impact from Covid-19.

Besides covid-19, no events have occurred after the balance sheet date.

3 Key activities

The Company's purpose os to do business within shipping, chartering, freight contracting and, as decided by the Board of Directors, to make investments in the shipping and chartering industry, and related business.

4 Staff expenses

	<u>2019</u> DKK	<u>2018</u> DKK
Wages and salaries	323.323	440.632
Other social security expenses	<u>1.893</u>	<u>3.408</u>
	<u>325.216</u>	<u>444.040</u>
Average number of employees	<u>1</u>	<u>1</u>

Notes to the Financial Statements

	2019 DKK	2018 DKK
5 Depreciation of property, plant and equipment		
Depreciation of property, plant and equipment	0	9.377
Impairment of property, plant and equipment	0	27.354
	0	36.731
6 Financial expenses		
Other financial expenses	2.749	0
Exchange loss	1.897	27.683
	4.646	27.683
7 Tax on profit/loss for the year		
Current tax for the year	-53.651	-67.906
Deferred tax for the year	0	275.128
	-53.651	207.222
8 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations	0	30.000

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 CHASI Holding ApS, 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 other security and contingent liabilities at 31 December 2019.

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of GMI Chartering ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2019 are presented in DKK.

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.

Leases

All 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.

Notes to the Financial Statements

9 Accounting Policies (continued)

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

Income Statement

Revenue

Revenue from commission income is recognised in the income statement by the amount attributable to the financial year, when 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.

Cost of sales

Cost of sales comprise costs consumed to achieve revenue for the year.

Other external expenses

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

Gross profit/loss

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Depreciations

Depreciations comprise depreciation of 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.

Notes to the Financial Statements

9 Accounting Policies (continued)

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 CHASI Holding ApS, OBT Shipping ApS and Frigo Consulting ApS. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

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.

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.

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