

Crystal Nordic Shipowning K/S

Galoche Alle 15
4600 Køge

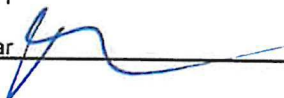
CVR no. 37 37 15 48

Annual report 2020

The annual report was presented and approved at the
Company's annual general meeting on

16 June 2021

Bent Kemplar
chairman



Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
<hr/>	
Management's review	5
Company details	5
Financial highlights	6
Operating review	7
Financial statements 1 January – 31 December	9
Income statement	9
Balance sheet	10
Statement of changes in equity	12
Notes	13

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board of Crystal Nordic Shipowning Partner ApS as manager and general partner of Crystal Nordic Shipowning K/S have today discussed and approved the annual report of Crystal Nordic Shipowning K/S for the financial year 1 January – 31 December 2020.

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

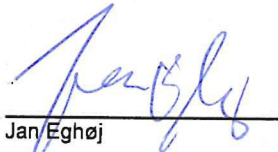
In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.


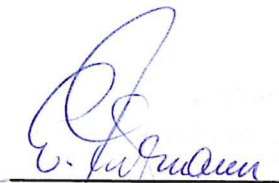
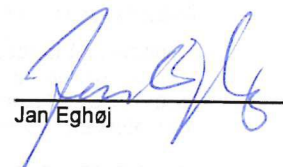
We recommend that the annual report be approved at the annual general meeting.

Køge, 16 June 2021

Executive Board:


Jan Eghøj

Board of Directors:


Bent Kemplar
Chairman
Wilfried Fuhrmann
Jan Eghøj



Independent auditor's report

To the shareholder of Crystal Nordic Shipowning K/S

Opinion

We have audited the financial statements of Crystal Nordic Shipowning K/S for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

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 rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.



Independent auditor's report

- 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 16 June 2021

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Klaus Rytting
State Authorised
Public Accountant
mne33205

Crystal Nordic Shipowning K/S
Annual report 2020
CVR no. 37 37 15 48

Management's review

Company details

Crystal Nordic Shipowning K/S
Galoche Alle 15
4600 Køge

CVR no.:	37 37 15 48
Established:	14 January 2016
Registered office:	Køge
Financial year:	1 January – 31 December

Board of Directors

Bent Kemplar, Chairman
Wilfried Fuhrmann
Jan Eghøj

Executive Board

Jan Eghøj

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø

Management's review

Financial highlights

EUR'000	2020	2019	2018	2017	2016
Key figures					
Revenue	6,667	12,728	39,330	54,536	49,707
Gross profit/loss	4,487	8,345	16,373	21,762	19,131
Ordinary operating profit/loss	-352	-368	2,953	-465	1,536
Profit/loss from financial income and expenses	-288	-315	-881	-958	-2,106
Profit/loss for the year	-641	-683	2,072	-1,423	-570
Balance sheet					
Total assets	10,274	28,818	31,999	90,947	111,745
Equity	7,877	19,118	23,301	55,129	64,245
Investment in property, plant and equipment	0	0	1,021	1,012	107,793
Ratios					
Gross margin	67.30%	65.56%	41.63%	39.90%	38.49%
Return on equity	-4.75%	-3.22%	5.28%	-2.38%	-0.90%
Solvency ratio	76.67%	66.34%	72.82%	60.62%	57.49%

The financial ratios have been calculated as follows:

Gross margin
$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Return on equity
$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio
$$\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$$

Management's review

Operating review

Principal activities

The Company's business activities consist of conducting shipping globally with own vessels while focusing on safety, quality and thus on environmentally friendly transport at sea.

Development in activities and financial position

The Company's income statement for 2020 shows a loss of EUR -640,567 as against EUR -683,148 in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at EUR 7,877,308 as against EUR 19,117,875 at 31 December 2019.

Outlook

Management expects that the market will improve 2nd half 2021 after the Covid-19 situation especially in Europe will improve and the economic growth will improve and thereby increasing the demand.

Business related risks

Although the Company's earnings come from T/C contracts, the general freight market influences the basic profit sharing.

Financial risks

The Company's earnings are in EUR, which match the Company's administrative and financial costs.

Environmental matters

The Technical Manager complies with all requirements and the CO2 emissions are being monitored and reductions pursued by the T/C Charterers by involvement of Fleet performance manager optimizing the consumption and thereby lowering CO2 emissions.

In addition the fleet is also being optimized by the T/C Charterers with regards of increased utilization and reduced ballast share which leads to lower CO2 emissions per mts carried.

Social responsibilities and employee conditions

Operating in an international and cost-competitive environment, ensuring acceptable working conditions is an important goal for Crystal Nordic. The Group's HSE policy ensures that all employees work in a safe work environment both on the vessels and in the offices. It is the Group's ambition to operate in accordance with all applicable laws and regulations and to treat its employees with dignity and respect. The Group expects its suppliers to operate their businesses in the same way, and in order to ensure to this, it is explicitly stated in the Group's general purchasing terms and conditions that suppliers may not in any way be involved in or related to any form of slavery or forced labor, human trafficking or similar activities. Furthermore, suppliers shall treat all personnel with dignity and respect and shall not tolerate mental or physical abuse or coercion of employees. Nor may suppliers be engaged in or benefit from child labor. The management finds that the requirements are contributing positively to the employee conditions in the suppliers' companies.

It is not the goal to draw up a policy on human rights in 2018, as the Group believes the General Purchasing Terms and Conditions combined with their Code of Conduct to be adequate.

Management's review

Operating review

Statutory report on the underrepresented gender

At present, the executive management consists of one male. The goal for 2021 is to keep this gender representation on the executive management. Should a new executive management constitution be relevant, it is the Company's policy always to choose the candidate with the strongest qualifications no matter their gender and the Company encourages everyone to apply regardless of their gender, race, religion and political observations.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Financial statements 1 January – 31 December

Income statement

EUR	Note	2020	2019
Revenue		6,666,699	12,727,780
Cost of sales		-1,570,676	-3,461,233
Other operating income		79,117	137,862
Other external costs		<u>-688,293</u>	<u>-1,059,445</u>
Gross profit		4,486,847	8,344,964
Staff costs	2	-2,860,399	-5,021,798
Depreciation, amortisation and impairment losses		<u>-1,978,661</u>	<u>-3,690,930</u>
Loss before financial income and expenses		-352,213	-367,764
Other financial income		4,242	12,044
Other financial expenses		<u>-292,596</u>	<u>-327,428</u>
Loss for the year		<u><u>-640,567</u></u>	<u><u>-683,148</u></u>
Proposed distribution of loss			
Extraordinary dividends paid		10,600,000	0
Retained earnings		<u>-11,240,567</u>	<u>-683,148</u>
		<u><u>-640,567</u></u>	<u><u>-683,148</u></u>

Financial statements 1 January – 31 December

Balance sheet

EUR	Note	2020	2019
ASSETS			
Fixed assets			
Property, plant and equipment	3		
Vessels		<u>4,334,267</u>	<u>21,078,061</u>
Total fixed assets		<u>4,334,267</u>	<u>21,078,061</u>
Current assets			
Inventories			
Raw materials and consumables		<u>26,737</u>	<u>33,247</u>
Receivables			
Trade receivables		453,835	197,848
Receivables from group entities		2,011	2,011
Other receivables		959,189	274,711
Prepayments		<u>85,841</u>	<u>317,892</u>
		<u>1,500,876</u>	<u>792,462</u>
Cash at bank and in hand		<u>4,411,753</u>	<u>6,914,131</u>
Total current assets		<u>5,939,366</u>	<u>7,739,840</u>
TOTAL ASSETS		<u>10,273,633</u>	<u>28,817,901</u>

Financial statements 1 January – 31 December

Balance sheet

EUR	Note	2020	2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital	4	243,875	243,875
Retained earnings		<u>7,633,433</u>	<u>18,874,000</u>
Total equity		<u>7,877,308</u>	<u>19,117,875</u>
Liabilities			
Non-current liabilities			
Mortgage loans		0	5,733,714
Other payables		<u>8,560</u>	<u>5,114</u>
		<u>8,560</u>	<u>5,738,828</u>
Current liabilities			
Other credit institutions, current liabilities		0	1,429,969
Trade payables		308,591	72,384
Payables to group entities		1,906,444	1,934,467
Other payables		<u>172,730</u>	<u>524,378</u>
		<u>2,387,765</u>	<u>3,961,198</u>
Total liabilities		<u>2,396,325</u>	<u>9,700,026</u>
TOTAL EQUITY AND LIABILITIES		<u>10,273,633</u>	<u>28,817,901</u>
<hr/>			
Contractual obligations, contingencies, etc.	5		
Related party disclosures	6		

Financial statements 1 January – 31 December

Statement of changes in equity

EUR	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2020	243,875	18,874,000	0	19,117,875
Transferred over the distribution of loss	0	-11,240,567	10,600,000	-640,567
Extraordinary dividends paid	0	0	-10,600,000	-10,600,000
Equity at 31 December 2020	243,875	7,633,433	0	7,877,308

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Crystal Nordic Shipowning K/S for 2020 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue is recognised in the income statement when:

- The income creating activities have been carried out on the basis of a binding agreement.
- The income can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- Costs relating to the transaction can be measured reliably.

Revenue comprises freight demurrage. Revenue is recognised when it meets the general criteria mentioned above and the stage of completion can be measured reliably. The stage of completion is based on the number of voyage days completed divided by the expected total voyage days for the individual voyage. Accordingly, freight revenue is recognised at selling price multiplied by the stage of completion for voyages in progress at year-end.

Cost of sales

Cost of sales are voyage related expenses that consists mainly of bunkers, port expenses and commissions. Voyage related expenses are recognised as incurred. Moreover, cost of sales includes operation and maintenance of vessels.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Company's primary activities.

Other external costs

Other external expenses include expenses relating to the Company's ordinary activities.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Other financial income and expenses

Other financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Balance sheet

Property, plant and equipment

Property, plant and equipment includes vessels and dockings, and are measured at cost less accumulated depreciation and impairment losses. The cost comprises the cost acquisition and any expenses incurred during the period of construction. Other borrowing costs are taken to the income statement. Depreciation is charged over the expected economic lives of the assets, and the depreciation methods, expected lives and residual values are reassessed individual for the assets at the end of each financial year.

The estimated useful lives are as follows:

Vessels	25 years
Dockings	30 months

Vessels: Vessels are measured at cost less accumulated depreciation and write-downs. All major components of vessels except for dry-docking assets are depreciated on a straight-line basis to the estimated residual value over their estimated useful lives, which Crystal Nordic Shipowning K/S estimates to be 25 years. Depreciation is based on cost less the estimated residual value. Residual value is estimated as the light weight tonnage of each vessel multiplied by scrap value per ton. The useful life and residual value of vessels are reviewed at least at each financial year-end based on market conditions, regulatory requirements and the Company's business plans. Moreover, the Company evaluates the the carrying amount of the vessels to determine whether events have occurred that indicate impairment and would require an adjustment of the carrying amounts.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Dockings: The fleet of own vessels is required to undergo planned dry-dockings for major repairs and maintenance, which cannot be carried out while the vessels are operating. Dry-dockings are generally required every 30-60 months depending on the nature of the work. Costs relating to dry-dockings are capitalised and depreciated on a straight-line basis over a period of 30 months. The residual value is estimated at zero. A portion of the cost of acquiring a new vessel is allocated to the components expected to be replaced or refurbished at the next dry-docking. For new buildings, the initial drydocking asset is estimated on the basis of expected costs related to the firstcoming docking, which is based on experience with similar vessels. At subsequent dry-dockings, the asset comprises the actual docking costs incurred.

Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash at bank and in hand comprise cash.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Liabilities

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

Notes

2 Staff costs

EUR	2020	2019
Wages and salaries	2,847,609	4,998,215
Pensions	8,683	13,217
Other social security costs	1,238	919
Other staff costs	2,869	9,447
	<u>2,860,399</u>	<u>5,021,798</u>
Average number of full-time employees	<u>1</u>	<u>1</u>

Staff costs consists of wages to crew members onboard vessels and land-based employees. The seafarers are employed on a voyage to voyage basis and are not included in the average number of employees.

In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors has not been disclosed.

3 Property, plant and equipment

EUR	Vessels
Cost at 1 January 2020	33,492,445
Additions for the year	1,434,867
Disposals for the year	<u>-22,096,223</u>
Cost at 31 December 2020	12,831,089
Depreciation and impairment losses at 1 January 2020	-12,414,384
Depreciation for the year	-2,286,741
Reversed depreciation and impairment losses on assets sold	<u>6,204,303</u>
Depreciation and impairment losses at 31 December 2020	<u>-8,496,822</u>
Carrying amount at 31 December 2020	<u>4,334,267</u>

The sold and disposals of two vessels resulted in a profit of EUR 308,080

4 Equity

The contributed capital consists of 20.000 shares of a nominal value of EUR 12,19 each.

All shares rank equally.

Financial statements 1 January – 31 December

Notes

5 Contractual obligations, contingencies, etc.

Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax.

Management is not aware of any lawsuits or arbitration cases which could have significant influence on the Company's financial position or result.

6 Related party disclosures

Crystal Nordic Shipowning K/S related parties comprise the following:

Control

Crystal Nordic Shipowning K/S is part of the consolidated financial statements of von Rantzau & Co. Handels- und Beteiligungsgesellschaft GmbH & Co. KG, Palmaille 45, 22767 Hamburg, Germany, which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of von Rantzau & Co. Handels- und Beteiligungsgesellschaft GmbH & Co. KG can be obtained by contacting the Company at the address above.

Related party transactions

In accordance with section 98c(7) of the Danish Financial Statements Act, the Company has not disclosed any related party transactions as they were conducted on an arm's length basis.

