



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

CVR: 15 91 56 41

STORE KONGENSGADE 68
1264 KØBENHAVN K

TLF: 33 30 15 15
E-MAIL: CK@CK.DK
WEB: WWW.CK.DK

K/S Straits Tankers

Tuborg Boulevard 5, 2900 Hellerup

Company reg. no. 37 97 88 17

Annual report

2 September - 31 December 2016

The annual report has been submitted and approved by the general meeting on the 7/6 2017

Anders Engholm Madsen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance USD 146.940 means the amount of USD 146,940, and that 23,5 % means 23.5 %.



Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Management's review	6
Annual accounts 2 September - 31 December 2016	
Profit and loss account	7
Balance sheet	8
Notes	10
Accounting policies used	11



Management's report

The management have today presented the annual report of K/S Straits Tankers for the financial year 2 September to 31 December 2016.

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

I 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 as on 31 December 2016 and of the company's results of its activities in the financial year 2 September to 31 December 2016.

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

The annual report is recommended for approval by the general meeting.

Hellerup, 23 February 2017

General partner

Komplementaranpartsselskabet Straits Tankers


Anders Engholm Madsen



Independent auditor's report

To the limited partners of K/S Straits Tankers

Opinion

We have audited the annual accounts of K/S Straits Tankers for the financial year 2 September to 31 December 2016, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2016 and of the results of the company's operations for the financial year 2 September to 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:



Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.



Independent auditor's report

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 23 February 2017

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted
State Authorised Public Accountant



Company data

The company

K/S Straits Tankers
Tuborg Boulevard 5
2900 Hellerup

Company reg. no. 37 97 88 17
Established: 2 September 2016
Domicile: Gentofte
Financial year: 2 September - 31 December
1st financial year

Board of directors

Anders Engholm Madsen

General partner

Komplementaranpartsselskabet Straits Tankers

Auditors

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab

Associated enterprise

Straits Tankers Pte Ltd., Singapore



Management's review

The principal activities of the company

The company's primary activity is owning shares in Straits Tankers Pte Ltd.

Unusual matters

None.

Uncertainties as to recognition or measurement

None.

Development in activities and financial matters

The gross loss for the year is USD -2.659. The results from ordinary activities after tax are USD -2.659. The management considers the results satisfactory.



Profit and loss account

<u>Note</u>	<u>2/9 - 31/12 2016</u>
Gross loss	-2.659
Results before tax	-2.659
Results for the year	<u>-2.659</u>
Proposed distribution of the results:	
Allocated from results brought forward	<u>-2.659</u>
Distribution in total	<u>-2.659</u>



Balance sheet

Assets		<u>31/12 2016</u>
<u>Note</u>		
Fixed assets		
1	Equity investment in associated enterprise	<u>355.997</u>
	Financial fixed assets in total	<u>355.997</u>
	Fixed assets in total	<u>355.997</u>
Current assets		
	Claims for payment of contributed capital	<u>1.000</u>
	Debtors in total	<u>1.000</u>
	Current assets in total	<u>1.000</u>
	Assets in total	<u>356.997</u>



Balance sheet

Equity and liabilities		<u>31/12 2016</u>
<u>Note</u>		
Equity		
2	Contributed capital	1.000
3	Results brought forward	<u>-2.659</u>
	Equity in total	<u>-1.659</u>
 Liabilities		
	Trade creditors	2.659
	Debt to group enterprises	<u>355.997</u>
	Short-term liabilities in total	<u>358.656</u>
	Liabilities in total	<u>358.656</u>
	 Equity and liabilities in total	 <u>356.997</u>



Notes

2/9 - 31/12
2016

1. Equity investment in associated enterprise

Additions during the year	<u>355.997</u>
Cost 31 December 2016	<u>355.997</u>
Book value 31 December 2016	<u>355.997</u>

The financial highlights for the enterprise according to the latest approved annual report

	Share of ownership	Equity	Results for the year	Book value at K/S Straits Tankers
Straits Tankers Pte Ltd., Singapore	50 %	519.475	718.724	355.997

2. Contributed capital

Contributed capital 2 September 2016	<u>1.000</u>
	<u>1.000</u>

3. Results brought forward

Profit or loss for the year brought forward	<u>-2.659</u>
	<u>-2.659</u>



Accounting policies used

The annual report for K/S Straits Tankers is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The annual accounts are presented in American dollars (USD) due to the fact that USD is the primary currency within the international shipping business. As per 31.12.2016 the exchange rate was DKK 7,0528.

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.

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.

The profit and loss account

Gross loss

The gross loss comprises external costs.

Other external costs comprise costs for administration.

The balance sheet

Financial fixed assets

Equity investment in associated enterprise

Equity investment in associated enterprise is measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.



Accounting policies used

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Liabilities

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