



E3POOL

E3 Pool A/S

Kalvebod Brygge 39-41

DK 1560 København V

CVR. 38 36 54 36

Annual report

for the year ended 31 December 2018

Approved at the annual general meeting of shareholders
on 31 May 2019

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Pia Lindberg

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Company details

E3 Pool A/S
Kalvebod Brygge 39-41
DK – 1560 Copenhagen
CVR No. 38 36 54 36

Board of Directors

Christian Franck Lefevre
Vasileios Kertsikof
Donald William McMillan
Steffen Ulrik Jacobsen

Executive Board

Steffen Ulrik Jacobsen, (CEO)

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK – 2300 Copenhagen S

Statement by Executive Board and Board of Directors on the annual report

Today, Executive Board and Board of Directors have discussed and approved the annual report of E3 Pool A/S for the period 1 January – 31 December 2018.

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 Company's financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January – 31 December 2018.

In our opinion, the Management's review includes a fair review of the matters dealt with in the Management's review.

We recommend that the annual report is approved by the annual general meeting of shareholders.

Copenhagen 31 May 2019

Executive Board:

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Steffen Ulrik Jacobsen
(CEO)

Board of Directors:

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Christian Franck Lefevre
(Chairman)

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Vasileios Kertsikof

.....
Donald William McMillan

.....
Steffen Ulrik Jacobsen

Independent auditor's report

To the shareholders of E3 Pool A/S

Opinion

We have audited the financial statements of E3 Pool A/S for the period 1 January – 31 December 2018, which comprise the income statement, balance sheet and notes, including a summary of significant 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 Entity's financial position at 31 December 2018 and of the results of its operations for the period 1 January – 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the Management commentary.

Our opinion on the financial statements does not cover the Management commentary, 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 commentary and, in doing so, consider whether the Management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the Management commentary 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 commentary.

Copenhagen, 31 May 2019

Deloitte

Statsautoriseret Revisionspartnerselskab

Business Registration No 33 96 35 56

Kim Takata Mücke

State-Authorised

Public Accountant

MNE no 10944

Martin Pieper

State-Authorised

Public Accountant

MNE no 44063

Management's commentary

Business activities and mission

The Company's main activity is management of gas tankers, as pool manager.

Business review

The Company's result for 2018 is a profit of USD 50,933 against a profit of USD 49,450 in 2017 and the Company's balance sheet at 31 December 2018 shows an equity of USD 72,613 against an equity of USD 121,680 in 2017.

Subsequent events

There were no events subsequent to the balance sheet date, which would require adjustments to or disclosures in the Company's financial statements.

Accounting policies

The annual report of E3 Pool A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities with addition of certain provisions for reporting class C.

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

Reporting currency

The financial statements are presented in USD, based on bookkeeping records maintained in USD. The financial statements are presented in USD to match the functional currency of the Company, which is also USD. The exchange rate between USD/DKK per 31 December 2018 was 6.52 against 6.21 per 31 December 2017.

Foreign currency retranslation

Transactions denominated in foreign currencies are translated into USD at the exchange rates at the date of the transaction.

Monetary items denominated in foreign currencies are translated into USD at the exchange rates at the balance sheet date. Realized and unrealized exchange gains and losses are recognized in the income statement as financial income/expenses.

Income statement

Revenue

Revenue from the sales of services is recognised concurrently with the delivery of the services.

Other external expenses

Other external expenses include expenses related to sale, administration, etc.

Net financials

Financial income and expenses are recognized in the income statement at the amounts that relate to the reporting period. Net financials include interest income and expenses, exchange gains and losses, amortization of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme etc.

Accounting policies - continued

Tax

Tax for the period includes current tax on the period's expected taxable income and the period's deferred tax adjustments less the share of the tax for the period that relates to changes in equity.

Balance sheet

Receivables

Trade receivables are measured at the lower of amortized cost and net realizable value, based on an assessment of the individual receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

Equity

Dividends proposed for the reporting period are presented as a separate item under 'Equity'.

Income taxes

Current tax charges are recognized in the balance sheet as the estimated tax charge in respect of the expected taxable income for the period, adjusted for tax paid in advance.

Provisions for deferred tax are calculated at 22% of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

Deferred tax assets are recognized at the value at which they are expected to be utilized either through elimination against tax on future earnings or a set-off against deferred tax liabilities.

Other liabilities

Other liabilities are measured to amortized cost.

Income statement
1 January - 31 December

	Notes	2018 USD	2017 USD
Revenue		1,380,405	1,136,916
Other external expenses	1	<u>(1,312,360)</u>	<u>(1,082,155)</u>
Profit before net financials		68,045	54,761
Other financial income		6	9,258
Other financial expenses	2	<u>(2,752)</u>	<u>(622)</u>
Profit before tax		65,299	63,397
Tax for the year	3	<u>(14,366)</u>	<u>(13,947)</u>
Net profit for the year		<u>50,933</u>	<u>49,450</u>

Proposed distribution of profit/loss

Retained earnings prior years		49,450	0
Dividend		(100,000)	0
Profit for the year		<u>50,933</u>	<u>49,450</u>
Total appropriation		<u>383</u>	<u>49,450</u>

**Balance sheet
at 31 December**

	Notes	2018 USD	2017 USD
Assets			
Current assets			
Trade receivables		1,552,177	1,313,469
Other receivables		<u>26,559</u>	<u>0</u>
Receivables		<u>1,578,736</u>	<u>1,313,469</u>
Cash and cash equivalents		<u>8,137</u>	<u>172,845</u>
Total current assets		<u>1,586,873</u>	<u>1,486,314</u>
Total assets		<u>1,586,873</u>	<u>1,486,314</u>
Equity and liabilities			
Equity			
Share capital		72,230	72,230
Retained earnings		<u>383</u>	<u>49,450</u>
Total equity		<u>72,613</u>	<u>121,680</u>
Liabilities			
Trade payables		1,485,513	1,239,145
Corporate tax		28,747	13,947
Other payables		<u>0</u>	<u>111,542</u>
Short-term liabilities		<u>1,514,260</u>	<u>1,364,634</u>
Total liabilities		<u>1,514,260</u>	<u>1,364,634</u>
Total equity and liabilities		<u>1,586,873</u>	<u>1,486,314</u>

Notes

	2018 USD	2017 USD
Note 1. Other external expenses		
No wages and salaries were paid during the period as the Company has no employees.		
Note 2. Other financial expenses		
Exchange rate losses	1,308	0
Interest on corporate tax	434	0
Other financial expenses	<u>1,004</u>	<u>622</u>
	<u>2,746</u>	<u>622</u>
Note 3. Tax for the year		
Current tax	<u>14,366</u>	<u>13,947</u>
	<u>14,366</u>	<u>13,947</u>