Oldendorff Carriers Denmark ApS

Bredgade 25E, 4., 1260 København K

Company reg. no. 38 48 85 62

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 23 June 2020.

Peter Georg Bagh
Chairman of the meeting

Contents

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 DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The executive board has today presented the annual report of Oldendorff Carriers Denmark ApS for the financial year 1 January to 31 December 2019.

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

We 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 at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

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

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

København K, 9 June 2020

Executive board

Jens Jacobsen	Natalie Twiss	Peter Georg Bagh

Independent auditor's report

To the shareholders of Oldendorff Carriers Denmark ApS

Opinion

We have audited the annual accounts of Oldendorff Carriers Denmark ApS for the financial year 1 January to 31 December 2019, 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 2019 and of the results of the company's operations for the financial year 1 January to 31 December 2019 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.

Independent auditor's report

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:

- 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.

Independent auditor's report

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.

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, 9 June 2020

BUUS JENSEN
State Authorised Public Accountants
Company reg. no. 16 11 90 40

Henrik Paaske
State Authorised Public Accountant
mne10067

Benjamin Møller Obel
State Authorised Public Accountant
mne44149

Company information

The company	Oldendorff Carriers Denmark ApS Bredgade 25E, 4. 1260 København K	
	Company reg. no.	38 48 85 62
	Financial year:	1 January - 31 December
Executive board	Jens Jacobsen Natalie Twiss Peter Georg Bagh	
Auditors	BUUS JENSEN, Statsautoriserede revisorer	

Management commentary

The principal activities of the company

The company's purpose is to work in conjunction with the parent company and its other subsidiaries in international maritime transport and similar activities in relation to this.

Development in activities and financial matters

The gross profit for the year is DKK 26.370.645 against DKK 15.985.887 last year. The results from ordinary activities after tax are DKK 496.753 against DKK 383.125 last year. The management consider the results satisfactory.

Accounting policies

The annual report for Oldendorff Carriers Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Changes in the accounting policies

The management of the company has chosen to change the presentation of the income statement from broken down by description to broken down by function.

The Company's management is of the opinion that changing the presentation of the company's income statement gives a more true and fair view of the company's activity.

Except for the above, the accounting policies remain unchanged from last year.

The changes in the accounting policies have no effect on the years and last years total figures.

Income statement

Gross profit

Gross profit comprises revenue, production costs, and other operating income.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Production costs comprise costs, including salaries, wages, and depreciation incurred in order to achieve the revenue of the year. Trade enterprises recognise cost of sales and manufacturing enterprises recognise production costs corresponding to the revenue for the year. These costs include direct and indirect costs of raw materials and consumables, salaries and wages, leasing, and depreciation of production plant.

Distribution costs

The distribution costs comprise costs which have been incurred for distribution of goods sold during the year and for sales campaigns carried out during the year. Additionally, costs for sales staff, costs for advertising and exhibitions, and depreciation are recognised in the profit and loss account.

Administration costs

Administration costs comprise costs which have been incurred during the year for management and administration, including costs for the administrative staff, the executive board, offices, stationery and office supplies, and depreciation.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Tangible fixed assets

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	Useful life
Other plants, operating assets, fixtures and furniture	*3-13 years*

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

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

Income statement 1 January - 31 December

All amounts in DKK.

Note		2019	2018
	Gross profit	**26.370.645**	**15.985.887**
	Distribution costs	-2.293.903	-1.963.122
	Administration costs	-23.256.076	-13.415.858
	Operating profit	**820.666**	**606.907**
	Other financial income	607	0
1	Other financial costs	-20.958	0
	Financing, net	-20.351	0
	Pre-tax net profit or loss	**800.315**	**606.907**
2	Tax on ordinary results	-303.562	-223.782
	Net profit or loss for the year	**496.753**	**383.125**

		2019	2018
	Proposed appropriation of net profit:		
	Transferred to retained earnings	496.753	383.125
	Total allocations and transfers	**496.753**	**383.125**

Statement of financial position at 31 December

All amounts in DKK.

Note	Assets	2019	2018
	Non-current assets		
3	Other plants, operating assets, and fixtures and furniture	1.144.462	1.960.435
	Total property, plant, and equipment	1.144.462	1.960.435
	Total non-current assets	**1.144.462**	**1.960.435**
	Current assets		
	Other debtors	786.654	435.392
	Accrued income and deferred expenses	100.682	14.250
	Total receivables	887.336	449.642
	Available funds	1.191.996	2.008.259
	Total current assets	**2.079.332**	**2.457.901**
	Total assets	**3.223.794**	**4.418.336**

Statement of financial position at 31 December

All amounts in DKK.

Note	Equity and liabilities	2019	2018
	Equity		
4	Contributed capital	50.000	50.000
5	Retained earnings	985.892	489.140
	Total equity	**1.035.892**	**539.140**
	Provisions		
	Provisions for deferred tax	18.034	119.030
	Total provisions	**18.034**	**119.030**
	Liabilities other than provisions		
	Trade payables	121.900	210.904
	Payables to group enterprises	600.302	2.164.523
	Income tax payable	404.558	194.788
	Other payables	1.043.108	1.189.951
	Total short term liabilities other than provisions	2.169.868	3.760.166
	Total liabilities other than provisions	**2.169.868**	**3.760.166**
	Total equity and liabilities	**3.223.794**	**4.418.336**

6 Contingencies

Notes

All amounts in DKK.

		2019	2018
1.	**Other financial costs**		
	Other financial costs	20.958	0
		20.958	**0**
2.	**Tax on ordinary results**		
	Tax of the results for the year, parent company	404.558	194.788
	Adjustment for the year of deferred tax	-100.996	28.994
		303.562	**223.782**
3.	**Other plants, operating assets, and fixtures and furniture**		
	Cost 1 January 2019	2.520.198	2.462.614
	Additions during the year	16.580	57.584
	Cost 31 December 2019	**2.536.778**	**2.520.198**
	Amortisation and writedown 1 January 2019	-559.763	-177.077
	Depreciation for the year	-518.989	-382.686
	Writedown for the year	-313.564	0
	Amortisation and writedown 31 December 2019	**-1.392.316**	**-559.763**
	Book value 31 December 2019	**1.144.462**	**1.960.435**
4.	**Contributed capital**		
	Contributed capital 1 January 2019	50.000	50.000
		50.000	**50.000**
5.	**Retained earnings**		
	Retained earnings 1 January 2019	489.139	106.015
	Profit or loss for the year brought forward	496.753	383.125
		985.892	**489.140**

All amounts in DKK.

6. Contingencies

Contingent liabilities

	DKK in thousands
Contingent liabilities in total	2.368