

Dania Ship Management A/S

Bredevej 2B
2830 Virum
CVR No. 38618873

Annual report 2020

The Annual General Meeting adopted the
annual report on 29.06.2021

Gintare Butaviciute

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2020	8
Balance sheet at 31.12.2020	9
Statement of changes in equity for 2020	11
Notes	12
Accounting policies	15

Entity details

Entity

Dania Ship Management A/S

Bredevej 2B

2830 Virum

CVR No.: 38618873

Registered office: Virum

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Hans Sergej Mikael Vilson, Chairman

Franck Johannes Kayser

Jan Petter Traaholt

Executive Board

Franck Johannes Kayser, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Dania Ship Management A/S for the financial year 01.01.2020 - 31.12.2020.

The annual report is presented 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 29.06.2021

Executive Board

Franck Johannes Kayser
CEO

Board of Directors

Hans Sergej Mikael Vilson
Chairman

Franck Johannes Kayser

Jan Petter Traaholt

Independent auditor's report

To the shareholders of Dania Ship Management A/S

Opinion

We have audited the financial statements of Dania Ship Management A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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, 29.06.2021

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Kim Takata Mücke

State Authorised Public Accountant

Identification No (MNE) mne10944

Management commentary

Primary activities

The Company's primary activities involve acting as technical manager of vessels.

Development in activities and finances

The loss for the year is DKK 6,526,221. The result of the year is not satisfactory. The Company has a negative equity of DKK 6,007,248 as of December 31, 2020.

The Company expects to improve the operating result for 2021 due to implemented cost savings and expansion of business. The equity is expected to be re-established in 2023 through operating profits.

Events after the balance sheet date

The Company has been negatively impacted by the loss of 8 Team Tankers vessels which were sold in March 2021 and are expected to leave the Company's management by July 2021. The negative impact of lost revenue has been partially offset by organizational changes and revised cost structure. The major shareholder has signed a support letter in 2021, where it is willing to provide immediate financial support. The Company currently is looking for new business.

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

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Gross profit/loss		22,142,941	27,080,042
Staff costs	2	(25,963,013)	(21,340,815)
Depreciation, amortisation and impairment losses		(77,919)	(349,643)
Operating profit/loss		(3,897,991)	5,389,584
Impairment losses on financial assets		(740,442)	0
Other financial expenses	3	(835,859)	(145,831)
Profit/loss before tax		(5,474,292)	5,243,753
Tax on profit/loss for the year	4	(1,051,929)	(557,101)
Profit/loss for the year		(6,526,221)	4,686,652
Proposed distribution of profit and loss			
Retained earnings		(6,526,221)	4,686,652
Proposed distribution of profit and loss		(6,526,221)	4,686,652

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		0	78,470
Property, plant and equipment	5	0	78,470
Long-term assets		0	78,470
Trade receivables		1,933,545	1,834,950
Receivables from group enterprises		4,342,770	3,257,921
Other receivables		640,481	32,500
Prepayments		181,747	233,363
Receivables		7,098,543	5,358,734
Cash	6	25,420,750	20,175,247
Assets		32,519,293	25,612,451

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		500,000	500,000
Retained earnings		(6,507,248)	18,973
Proposed dividend		0	400,000
Equity		(6,007,248)	918,973
Other payables	7	2,273,432	0
Non-current liabilities other than provisions		2,273,432	0
Other provisions	8	1,990,000	0
Trade payables		178,089	355,105
Payables to group enterprises		1,107,260	189,612
Income tax payable		815,586	374,707
Other payables	9	32,162,174	23,774,054
Current liabilities other than provisions		36,253,109	24,693,478
Liabilities other than provisions		38,526,541	24,693,478
Equity and liabilities		32,519,293	25,612,451
Going concern	1		
Contingent liabilities	10		
Group relations	11		

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	500,000	18,973	400,000	918,973
Ordinary dividend paid	0	0	(400,000)	(400,000)
Profit/loss for the year	0	(6,526,221)	0	(6,526,221)
Equity end of year	500,000	(6,507,248)	0	(6,007,248)

Notes

1 Going concern

The Company expects to improve the operating result for 2021 due to implemented cost savings and expansion of business. The equity is expected to be re-established in 2022 through operating profits.

2 Staff costs

	2020	2019
	DKK	DKK
Wages and salaries	22,288,694	19,196,756
Pension costs	2,149,670	1,691,873
Other staff costs	1,524,649	452,186
	25,963,013	21,340,815
Average number of full-time employees	32	27

3 Other financial expenses

	2020	2019
	DKK	DKK
Other interest expenses	454,836	82,967
Exchange rate adjustments	354,405	62,864
Other financial expenses	26,618	0
	835,859	145,831

4 Tax on profit/loss for the year

The Company's income tax base is located in Denmark, and subject to the Danish tonnage tax scheme. The Company has entered the tonnage tax scheme on 1 May 2017, with a binding period of 10 years.

Under the tonnage tax scheme income and expenses from shipping activities are not subject to direct taxation, instead the taxable income is calculated on the basis of:

- The net tonnage of the vessels used to generate the income from technical management.
- A rate applicable to the specific net tonnage of the vessels based on a sliding scale.

The Company has no deferred tax assets or liabilities at 31 December 2019 and 2020.

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	570,000
Cost end of year	570,000
Depreciation and impairment losses beginning of year	(491,530)
Depreciation for the year	(78,470)
Depreciation and impairment losses end of year	(570,000)
Carrying amount end of year	0

6 Cash

	31.12 2020	31.12 2019
	DKK	DKK
Cash held on behalf of shipowners	25,218,402	19,730,064
Cash at bank	202,348	445,183
	25,420,750	20,175,247

7 Other payables

	2020	2019
	DKK	DKK
Holiday pay obligation	2,273,432	0
	2,273,432	0

8 Other provisions

Other provisions relate to a settlement agreement signed in April 2021 for a dispute started in 2019.

9 Other payables

	31.12 2020	31.12 2019
	DKK	DKK
Liability for cash held for shipowners	25,218,402	19,730,064
Other payables	6.943.772	4,043,990
	32.162.174	23.774.054

10 Contingent liabilities

The Company is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

11 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Vouvray Acquisition Limited, 1st Floor, 63 Queens Victoria Street, London, EC4N 4UA, United Kingdom

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Corretion in balance sheet

Since the Company is the legal owner of the cash held on behalf of the shipowners, the Company has assessed that the cash and the related liability should be reflected on the balance sheet and this presentation has been implemented with effect from 2020 and with change of the comparative figures for 2019. See note 6 and 9 for specification of the amounts.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and less external expenses.

Revenue

Revenue from technical management and consultancy services are recognised as services are delivered.

Other operating income

Other operating income comprise cross-charge to other group entities for the staff costs for staff employed by the Company working for other group entities.

Other external expenses

Other external expenses comprise expenses for management and administration of the the Company.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment for the financial year, as well as gains and losses from the sale of property, plant and equipment.

Impairment losses on financial assets

Impairment losses on financial assets comprise impairment losses on financial assets which are not measured at fair value on a current basis.

Other financial expenses

Other financial expenses comprise interest expenses and currency losses.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Property, plant and equipment**

Property, plant and machinery is measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying

amount.

Receivables

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

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other provisions

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date.

Other financial liabilities

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

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.