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HEBO MARITIME NORDIC APS
C/O DLA PIPER, HACK KAMPMANNS PLADS 2, 8000 AARHUS C
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2019

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 22 April 2020**

Wiebbe Bonsink

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 39 18 61 36

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COMPANY DETAILS

Company	HEBO Maritime Nordic ApS c/o DLA Piper Hack Kampmanns Plads 2 8000 Aarhus C CVR No.: 39 18 61 36 Established: 21 December 2017 Registered Office: Aarhus Financial Year: 1 January - 31 December
Board of Executives	Wiebbe Bonsink
Auditor	BDO Statsautoriseret revisionsaktieselskab Jeppe Aakjærs Vej 10 9500 Hobro
Bank	Danske Bank Holmens Kanal 2-12 1092 Copenhagen K

STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of HEBO Maritime Nordic ApS for the financial year 1 January - 31 December 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the Company's financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

The Management's Review includes in my opinion a fair presentation of the matters dealt with in the Review.

I recommend the Annual Report be approved at the Annual General Meeting.

Aarhus, 15 April 2020

Board of Executives

Wiebbe Bonsink

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of HEBO Maritime Nordic ApS

Opinion

We have audited *the Financial Statements of HEBO Maritime Nordic ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, notes and 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 assets, liabilities and financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 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 (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 requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 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 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 judgment and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

INDEPENDENT AUDITOR'S REPORT

- 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 Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management's Review.

Hobro, 15 April 2020

BDO Statsautoriseret revisionsaktieselskab
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Michael Graversen
State Authorised Public Accountant
MNE no. mne34099

MANAGEMENT'S REVIEW

Principal activities

The principal activities comprise salvage and towing activities at sea.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 EUR	2018 EUR
GROSS PROFIT		903.121	751.655
Depreciation, amortisation and impairment losses.....		-482.898	-385.892
OPERATING PROFIT		420.223	365.763
Other financial income.....	2	9.498	4.243
Other financial expenses.....	3	-147.954	-171.074
PROFIT BEFORE TAX		281.767	198.932
Tax on profit/loss for the year.....	4	-62.012	-44.515
PROFIT FOR THE YEAR		219.755	154.417
PROPOSED DISTRIBUTION OF DIVIDEND			
Retained earnings.....		219.755	154.417
TOTAL		219.755	154.417

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2019 EUR	2018 EUR
Vessel.....		7.171.062	7.653.961
Tangible fixed assets.....	5	7.171.062	7.653.961
FIXED ASSETS.....		7.171.062	7.653.961
Trade receivables.....		0	87.500
Receivables from group enterprises.....		0	587.554
Other receivables.....		0	15.000
Receivables.....		0	690.054
Cash and cash equivalents.....		135.583	116.233
CURRENT ASSETS.....		135.583	806.287
ASSETS.....		7.306.645	8.460.248

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2019 EUR	2018 EUR
Share capital.....		13.508	13.508
Retained earnings.....		374.172	154.417
EQUITY.....	6	387.680	167.925
Provision for deferred tax.....		106.527	44.515
PROVISION FOR LIABILITIES.....		106.527	44.515
Bank loan.....		5.075.000	5.775.000
Long-term liabilities.....	7	5.075.000	5.775.000
Short-term portion of long-term liabilities.....	7	700.000	700.000
Bank debt.....		833.580	622.913
Trade payables.....		5.000	9.687
Payables to group enterprises.....		172.067	1.091.588
Other liabilities.....		26.791	48.620
Current liabilities.....		1.737.438	2.472.808
LIABILITIES.....		6.812.438	8.247.808
EQUITY AND LIABILITIES.....		7.306.645	8.460.248
 Contingencies etc.	 8		
Charges and securities	9		

NOTES

	2019 EUR	2018 EUR	Note
Staff costs			1
Average number of employees 1 (2018: 1)			
Other financial income			2
Group enterprises.....	9.498	4.243	
	9.498	4.243	
Other financial expenses			3
Group enterprises.....	19.464	40.844	
Other interest expenses.....	128.490	130.230	
	147.954	171.074	
Tax on profit/loss for the year			4
Adjustment of deferred tax.....	62.012	44.515	
	62.012	44.515	
Tangible fixed assets			5
		Vessel	
Cost at 1 January 2019.....		8.039.857	
Cost at 31 December 2019.....		8.039.857	
Depreciation and impairment losses at 1 January 2019.....		385.892	
Depreciation for the year.....		482.903	
Depreciation and impairment losses at 31 December 2019.....		868.795	
Carrying amount at 31 December 2019.....		7.171.062	
Equity			6
	Share capital	Retained earnings	Total
Equity at 1 January 2019.....	13.508	154.417	167.925
Proposed distribution of profit.....		219.755	219.755
Equity at 31 December 2019.....	13.508	374.172	387.680

NOTES

						Note
Long-term liabilities						7
	31/12 2019		Debt	31/12 2018	Current	
	total liabilities	Repayment	outstanding	total liabilities	portion at the	
		next year	after 5 years		beginning	
					of the year	
Bank loan.....	5.775.000	700.000	2.275.000	6.475.000	700.000	
	5.775.000	700.000	2.275.000	6.475.000	700.000	
Contingencies etc.						8
Contingent liabilities						
None.						
Charges and securities						9
Vessel with a total carrying amount of EUR '000 7.171 has been pledged as security for bank debt at a total carrying amount of EUR '000 5.775.						

ACCOUNTING POLICIES

The Annual Report of HEBO Maritime Nordic ApS for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue from sale of is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include cost of administration etc.

Financial income and expenses

Financial income and expenses include interest income and expenses as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Tangible fixed assets

Vessel are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	<i>Useful life</i>	<i>Residual value</i>
Vessel.....	15 years	0-10 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amount of tangible assets are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.