
Baltic Holding Jylland ApS

Ved Isefjorden 24, DK-3390 Hundested

Annual Report for 13 November 2018 - 31 December 2019

CVR No 40 02 01 28

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
11/6 2020

Karina Uldahl Kiel
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Baltic Holding Jylland ApS for the financial year 13 November 2018 - 31 December 2019.

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 financial position at 31 December 2019 of the Company and of the results of the Company operations for 2018/19.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hundested, 11 June 2020

Executive Board

Peter Ronnie Hulstrøm
Executive Officer

Board of Directors

Palle Hørdum Gudmann

Mikkel Schmidt

Peter Ronnie Hulstrøm

Thomas Holst Olsen

Jesper Bræmer Hansen

Independent Auditor's Report

To the Shareholders of Baltic Holding Jylland ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 13 November 2018 - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Baltic Holding Jylland ApS for the financial year 13 November 2018 - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 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 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 judgement and maintain professional scepticism throughout the

Independent Auditor's Report

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.
- 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.

Hellerup, 11 June 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Thomas Wraae Holm

State Authorised Public Accountant

mne30141

Company Information

The Company

Baltic Holding Jylland ApS
Ved Isefjorden 24
DK-3390 Hundested

CVR No: 40 02 01 28

Financial period: 13. november 2018 - 31. december 2019

Incorporated: 13 November 2018

Municipality of reg. office: Halsnæs

Board of Directors

Palle Hørdum Gudmann
Mikkel Schmidt
Peter Ronnie Hulstrøm
Thomas Holst Olsen
Jesper Bræmer Hansen

Executive Board

Peter Ronnie Hulstrøm

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 13 November - 31 December

	<u>Note</u>	<u>2018/19</u> DKK
Gross profit/loss		0
Income from investments in subsidiaries		-602.988
Financial expenses	3	<u>-63.273</u>
Profit/loss before tax		-666.261
Tax on profit/loss for the year	4	<u>13.920</u>
Net profit/loss for the year		<u>-652.341</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>-652.341</u>
		<u>-652.341</u>

Balance Sheet 31 December

	Note	2018/19 DKK
Assets		
Investments in subsidiaries	5	1.385.812
Fixed asset investments		1.385.812
Fixed assets		1.385.812
Deferred tax asset		13.920
Receivables		13.920
Cash at bank and in hand		84.769
Currents assets		98.689
Assets		1.484.501

Liabilities and equity

Share capital		50.000
Retained earnings		-652.341
Equity		-602.341
Payables to group enterprises		2.086.842
Short-term debt		2.086.842
Debt		2.086.842
Liabilities and equity		1.484.501

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Statement of Changes in Equity

	Share capital DKK	Retained earnings DKK	Total DKK
Equity at 13 November 2018	0	0	0
Cash payment concerning formation of entity	50.000	0	50.000
Net profit/loss for the year	0	-652.341	-652.341
Equity at 31 December 2019	50.000	-652.341	-602.341

Notes to the Financial Statements

1 Subsequent events

The implications of COVID-19 with many governments across the world deciding to "close down their countries" will have great impact on the global economy. Management considers the implications of COVID-19 as a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company.

Management has assessed the likely impact on COVID-19 to its assets and liabilities and has assessed that any eventual concern relates to the investment in the subsidiary Carl Elgaard Shipping A/S. Management in the subsidiary has assessed that the subsidiary likely will not be significantly negatively affected by the pandemic. However, there is still a risk that COVID-19 will have negative impacts on the subsidiary's revenue and earnings in 2020. Management is monitoring developments of the subsidiary closely. It is, however, too early yet to give an opinion as to whether and, if so, to what extent COVID-19 will impact revenue and earnings in 2020 in the subsidiary.

2 Key activities

The Company's main activity is to be a holding company.

3 Financial expenses

	2018/19 DKK
Interest paid to group enterprises	61.273
Other financial expenses	2.000
	63.273

4 Tax on profit/loss for the year

Current tax for the year	0
Deferred tax for the year	-13.920
	-13.920

Notes to the Financial Statements

	2018/19 DKK
5 Investments in subsidiaries	
Cost at 13 November 2018	0
Additions for the year	1.988.800
Cost at 31 December 2019	1.988.800
Net profit/loss for the year	-144.607
Amortisation of goodwill	-458.381
Value adjustments at 31 December 2019	-602.988
Carrying amount at 31 December	1.385.812
Positive differences arising on initial measurement of subsidiaries at net asset value	1.375.143
Remaining positive difference included in the above carrying amount at 31 December	916.762

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
Carl Elgaard Shipping ApS	Aarhus	80.000	100%

6 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Company is part of the national joint taxation with Baltic Holding Hundested ApS, as the management company, and unlimited, jointly and severally liable with the other jointly taxed companies for the total corporation tax.

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of Baltic Holding Jylland ApS for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2018/19 are presented in DKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

7 Accounting Policies (continued)

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses and other external expenses.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish Group Companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises. Goodwill is amortised over a period of 3 years based on the estimated useful life.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation

Notes to the Financial Statements

7 Accounting Policies (continued)

of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.