Christiania Shipping

ANNUAL REPORT 2018

Christiania Shipping A/S

Amerika Plads 38

2100 København Ø

Registration no. 40 53 35 16

The Annual General Meeting adopted the annual report on 31 May 2019

Chairman of the General Meeting

Name: Jens V. Mathiasen

Contents

Key figures

USD '000	2018	2017	2016	2015	2014
INCOME STATEMENT					
Revenue	90.590	92.715	101.044	117.188	150.364
Time charter equivalent earnings	55.768	63.552	74.168	80.358	84.740
Operating profit bef. depreciations etc. (EBITDA)	3.172	-3.770	1.345	7.868	5.328
Depreciations, write-downs and gains/losses	-2.901	-63.467	-72.263	-17.299	-22.831
Operating profit (EBIT)	257	-67.237	-70.918	-9.564	-18.107
Net financials	143.067	-6.675	-6.463	-5.220	38.621
Result for the year	143.097	-74.006	-77.402	-14.421	20.648
Total comprehensive	143.097	-73.973	-14.259	20.828	-17.245
BALANCE SHEET					
Non-current assets	38.841	39.500	106.825	185.729	203.553
Total Assets	52.724	64.488	134.323	210.490	224.982
Equity	5.614	-144.982	-71.009	6.406	-7.450
Invested capital	37.665	36.120	102.815	185.583	198.363
Net working capital	-1.177	-3.346	-3.800	-146	-5.190
Net investments in tangible assets	3.158	9.849	-4.736	2.888	-9.458
Net interest-bearing debt	819	186.469	185.169	192.928	191.521
Cash and securities	5.115	8.054	7.904	13.085	2.287
CASH FLOW					
Cash flow from operating activities	-3.011	-6.109	520	1.059	886
Cash flow from investing activities	3.158	9.848	-4.736	717	-9.422
Cash flow from financing activites	-2.548	-3.879	-818	9.023	7.296
Cash flow of the year	5.115	-140	-5.034	10.799	-1.240
EMPLOYEES					
Seafarers	305	255	289	284	276
Land based employees	19	9	10	19	42
FINANCIAL AND ACCOUNTING RATIOS					
TCE-margin (%)	61,6%	68,5%	73,4%	68,6%	56,4%
EBITDA-margin (%)	3,5%	-4,1%	1,3%	6,7%	3,5%
EBIT-margin (%)	0,3%	-72,50%	-70,20%	-8,20%	-12,00%
Return on Invested Capital (%)	16,8%	85,90%	51,00%	13,10%	13,70%
Return on Equity (%)	N/A	68,5%	239,6%	2764,8%	N/A
Equity ratio	0,15	-1,3	-2,6	30,1	-25,7
OTHER					
Total number of vessel days for the Group	7.327	7.639	9.074	9.956	10.727
USD/EUR rate at year-end	0,87	0,83	0,95	0,92	0,82
Average USD/EUR rate	0,85	0,89	0,90	0,90	0,75
USD/DKK rate at year-end	6,52	6,21	7,05	6,83	6,12
Average USD/DKK rate	6,32	6,60	6,73	6,73	5,62

Management review

Business review

Christiania Shipping A/S (previously Herning Shipping A/S) is a specialised chemical vessel-owning and chartering company established in 1972.

The Group is headquarter in Copenhagen, Denmark with one subsidiary in Golfe-Juan, France. The group's 12 owned vessels are all Danish flagged and the Group employs 30 Danish top officers.

On 29 January 2018, Herning Shipping A/S was acquired by ANE Shipping AS, a newly established Norwegian partnership between Camillo Eitzen & Co, Castel AS, and Seahorse Invest AS. Following the acquisition the Company was renamed to Christiania Shipping A/S.

The core competence of Christiania Shipping is to own and charter sophisticated chemical tankers between 1,500-11,000 dwt. with highest focus on safety and quality.

Christiania Shipping has a leading position in trade niches, and the vessels are trading in the Atlantic Ocean, Europe, West Africa, and the Mediterranean.

On 31 December 2018, The Group owned 12 vessels and chartered in 7 vessels.

Strategic focus

Safety is Christiania Shipping's first and foremost priority and it is an integral part of Christiania Shipping's vision, mission, strategy and values. The Group's overall strategic focus is three-fold:

- Develop a safety culture with a target of zero accidents
- Optimise and develop the existing business platform
- Expand and renew the fleet
- Continue the consolidation within the chemical tanker segment and generate profitable growth

Management

Board of Directors

The Board of Directors of Christiania Shipping A/S consists of three members with solid management experience. The Board has a reasonable size, composition, diversity plus the competences necessary to ensure that they at any given time are qualified to attend to the managerial tasks as the upper management body of the Group.

The Board of Directors consists of:

- Erik Bartnes (Chairman)
- Erik Nicolai Heidenreich
- Axel Camillo Eitzen

The Executive Management consists of Axel C. Eitzen.

Key developments in 2018

Prior to the acquisition of the shares in Christiania Shipping A/S (previously Herning Shipping A/S) on 29 January 2018, the main lender wrote off a loan of a nominal value of USD 144.9 million. As a part of the transaction the Group was refinanced. The share capital has been fully re-established at completion of the sale.

The Group have implemented several changes to be re-establish as an efficient and streamlined shipowner, charterer and operator, including

- New Management, small but experienced and efficient, hands on management
- Reduction of administrative costs
- New efficient operating-systems
- Focus on efficient operations
- Reduction of unplanned off-hire

Subsequent events

Christiania Shipping A/S has entered into a long-term bareboat agreement with Kitanihon Shipbuilding Co., Ltd. of Japan regarding charter of M/T Stellar Wisteria.

Christiania Shipping A/S took delivery of M/T Stella Theresa (renamed from Stellar Wisteria) on 26 February 2019. The addition of Stella Theresa is part of Christiania Shipping's strategy to expand and renew the fleet.

Stella Theresa is a 12,600-tdw stainless steel chemical carrier with 18 segregations, N2 plant and MAN B&W 6S35MC main engine with fixed propeller.

Axel C. Eitzen says: "This is a very positive and important step in the continued development of Christiania Shipping, and I am excited and pleased to have re-established long-term business relation with Japan. We will continue the development of Christiania Shipping going forward".

Financial highlights of the Group in 2018

The Group realised earnings before interest, taxes and depreciations (EBITDA) of USD 3.2 million (USD -3.8 million). The positive development compared to previous years is primarily a result of reduced administrative costs and efficient operations.

The Group reported a positive net result of USD 143.1 million (USD -74.0 million) and a result before tax of USD 143.3 million (USD -73.9 million). Based on external broker values of the vessels, the Group's equity is estimated to be in excess of USD 45 million.

The net result is significantly affected by an accounting gain related to the write-down of debt of USD 144.9 million in connection with the refinancing and re-establishment of the share capital in January 2018.

Voyage contribution (TCE)

Voyage contribution amounted to USD 55.8 million (USD 63.5 million). TCE rates was roughly on the same level compared to 2017, but the number of vessel days was reduced by approx. 5% due to sale and redelivery of vessels.

Operating expenses and charter hire

Total operating expenses amounted to USD 34.5 million (USD 38.6 million). Hereof, seafarer related expenses amounted to USD 18.5 million (USD 20.2 million) while the remaining part related to maintenance and other operating expenses incurred in the operation of the owned fleet (including vessels chartered on bareboat agreements). Charter hire expenses amounted to USD 13.4 million (USD 14.6 million)

Depreciation and write-downs

Depreciation on the Group's owned vessels amounted to USD 2.9 million (USD 9.0 million). No adjustments of write-downs of vessels have been recognised in 2018 (USD 54.0 million).

Financial income and expenses

Net financial income amounted to USD 143.4 million (USD -6.6 million). Financial income is significantly affected by a gain related to the write-down of debt of USD 144.9 million in connection with the refinancing and re-establishment of the share capital in January 2018.

Interest expenses amounted to USD 1.4 million (USD 6.7 million).

Tax

The Group's tax expense for 2018 amounted to USD 0.2 million (USD 0.1 million). Christiania Shipping is subject to the rules and regulations of the Danish Tonnage Tax Act. For further information refer to note 10 in the consolidated financial statements.

Assets, equity and liabilities

On 31 December 2018, the Group's total assets amounted to USD 52.7 million (USD 64.5 million). Non-current assets (predominantly vessels) was USD 38.8 million (USD 39.5 million), while cash amounted to USD 5.1 million (USD 8.1 million). The external broker values of the fleet has been estimated to be in excess of USD 80 million.

The Group's equity was reestablished in January 2018 and amounted to USD 5.6 million (USD -145.0 million) as at 31 December 2018.

Total liabilities amounted to USD 47.1 million (USD 209.5 million). Hereof was debt USD 39.5 million (USD 194.5 million). Prior to the acquisition of the Group on 29 January 2018, the main lender wrote off debt amounting to USD 144.9 million.

Cash flow

Cash flow for the year was USD -2.4 million (USD -0.1 million), resulting in a cash balance at year-end at USD 5.1 million (USD 8.1 million).

Cash flow from operating activities was USD -3.0 million (USD -6.1 million). The increase of USD 3.1 million was primarily related to higher EBITDA.

Cash flow from investing activities amounted to USD 3.2 million (USD -9.8 million). Mainly related to dockings of vessels during the year.

Cash flow from financing activities amounted to USD -2.5 million (USD -3.9 million), mainly from the re-financing of the company and the repayment of a loan related to Hanne Theresa in connection with the sale of the vessel.

Outlook for 2019

The Group expects market conditions to remain challenging in 2019 given the current macro-economic climate in Western Europe and expected development in oil prices. However, Management believes that the likelihood of a somewhat improved market is higher than the likelihood that the market will deteriorate further.

The Group have planned significant investments during 2019, related to planned dockings and upgrades of Operating equipment onboard the vessels. As of the date of the presentation of the Annual Report the drydocking's are proceeding according to plan.

Risk Management

Being an international player in the chemical tankers segment, Christiania Shipping is exposed to a variety of risks.

The Group pursues a finance policy that operates with a low risk profile, ensuring the foreign exchange, interest and credit risks arise only on the basis of commercial factors.

The Executive Management continuously monitors the potential risks considered to have the most significant effect on the Group's financial position and business performance. Measures deemed relevant to limit the Group's sensitivity to such risks are evaluated on an on-going basis. Risks and measures are reviewed at least annually with the Board of Directors.

Financial risks

Financing and Liquidity

Access to liquidity is an important factor in the execution of the strategy of the Group. Cash flow developments are monitored closely, including monthly updates and 12 months rolling forecasts to the Executive Management. Furthermore, the Group aims at having sufficient cash reserves in order to overcome a prolonged adverse market situation.

Current loan agreements includes customary financial covenants, which are expected to be met in 2019.

In 2019, Christiania Shipping expects to have sufficient liquidity for meeting its payment obligations for conducting the normal course of its operations without needing the support from its shareholder.

Interest rates

Christiania Shipping's gross interest bearing debt amounts to USD 39.5 million (USD 195.0 million) after the refinancing in January 2018. This debt is denominated in USD and carries floating interest rate.

Foreign exchange risks

Most of the revenues earned by Christiania Shipping are in the reporting currency USD as well as EUR, whilst a significant portion of the operating expenses as well as administrative expenses are incurred in primarily EUR and DKK.

In order to reduce foreign currency exchange risk on EUR, Christiania Shipping strives to match cash inflows and cash outflows as much as possible.

Credit risk

It is Group policy only to grant credit to oil majors and other first class customers in order to minimize credit risks. As such, the Group's credit risk relates to receivables from these first class customers and oil majors in the chemical tanker segment. The credit risk is deemed to be minimal and consequently receivables are not hedged. The Group's maximum credit risk associated with receivables corresponds to their carrying amounts.

For smaller customers and newer customers, it is Group policy to perform a credit assessment based on credit reports retrieved out of the database of one of the world's largest vendors. In most cases, such credit reports include a credit rating and information on potential payment delinquency. Furthermore, it is custom to require freight to be paid before cargo release. For customers with whom Christiania Shipping has a long lasting relationship, freight is typically paid after cargo release.

In 2018, Christiania Shipping did not suffer any significant losses from defaulting customers.

Price risks

Freight rates

Christiania Shipping's revenues are exclusively generated from activities in the oil and chemical tankers industry. The oil and chemical tanker industry is cyclical and volatile, which can lead to reductions in freight rates, volumes and ship values.

Fluctuations in freight rates result from changes in the supply and demand for vessel capacity and changes in the supply and demand for the large variety of products that we carry.

Christiania Shipping mitigates the risk of fluctuation in freight rates by managing the mix between Contracts of Affreightment and spot market business. Contracts tend to reduce volatility in freight rates. Spot market business, on the other hand, provide flexibility but exacerbate the impact of a downturn in the market.

Bunkers

Bunker fuel constitutes the major cost component affecting time charter equivalent (TCE) earnings, and increasing prices can have a material impact on The Group's results.

The Group is striving to reduce the impact of bunker price fluctuations by passing bunker fuel costs on to customers. Hence, in 2018 approximately 40% of freight earnings were derived from Contracts of Affreightment, the large majority of which include a bunker price clause that indexes freight rates with bunker prices.

Other risks

The Group aims at minimizing its exposure to accidents on the vessels, pollution, damages to hull and machinery etc. by investing in modern vessels, managing the maintenance of the vessels as well as continuing education in its staff.

Furthermore, risks in connection with the operation of the vessels, transport of cargo, personal injuries, environmental damages and war are being covered by insurances in internationally recognised insurance companies. The Group aims at minimizing its exposure by using multiple insurance companies.

The Group has established duplication of business critical IT systems and contingency plans in case of break-downs. Back-up of data is made in an external IT environment outside the Group's offices.

Corporate Social Responsibility

Christiania Shipping will actively initiate and participate in activities related to CSR and will incorporate CSR initiatives in its strategy at any given time. The key focus points of Christiania Shipping are areas related to health & safety, environment & climate and general welfare and training. Christiania Shipping will strive to continuously improve itself in these fields and communicate transparently with stakeholders about results and initiatives.

All of Christiania Shipping's CSR activities emerge from the Group's core business and strategy. The Group is committed to progress in business-driven CSR initiatives in order to deliver high quality and 'best in class' services while meeting own and customers' expectations in respect of responsible business practice. Management sees the business-driven approach as the only way forward when building a long-term sustainable business, where both the Group and society benefit.

Christiania Shipping's CSR policy is based on the ten guiding principles of the United Nations Global Compact (UNGC) that cover the areas of human & labor rights, environment & climate and anti-corruption as well as the principle of continuous improvement.

Safety Culture

Safety is Christiania Shipping's license to operate and embedded in the Group's DNA. All employees regardless of title and work responsibilities must at all times comply with Christiania Shipping's safety policy and regulations. A key focus area during 2018 was the continuation of the Safety Culture drive. The ambition of this initiative is to prevent all accidents, injuries and occupational illnesses through the active participation of each employee. Therefore, Christiania Shipping's safety initiatives are embedded, carried out and measured within the various business area. Results of the Safety Culture drive include increased knowledge sharing and fewer incidents. The Group continues to invest resources in this area to reach the goal of zero incidents.

Introduction of the safety culture program has had the positive result of decreasing the number of accidents on board on the Group's vessels. 2 lost time incidents (LTIs) happened on the Group's vessels in 2018 versus a target of 0. None of the incidents involved serious injuries. The goal for 2019 is to reach 0 LTIs on vessels and in offices owned by Christiania Shipping.

Environment and Climate

Responsibility at sea

Christiania Shipping has formulated a Health, Safety and Environment (HSE) policy, which includes working towards a *"zero oil spill to sea"* by coordination of efforts of those ashore and on board vessels plus working towards a long-term goal of *"zero accidents and incidents"* by using KPIs to monitor performance. Generally, Christiania Shipping will comply with industry legislation that refers to health, safety and environment protection while focusing on global activities and ensuring continual environmental improvements through open dialogue with clients/customers. Their feedback will be used to revise existing procedures related to health, safety and environment issues.

General purchasing terms and conditions

The General Purchasing Terms and Conditions of Christiania Shipping specify that all suppliers and subsuppliers are required to live up to the rules and regulations applicable for Christiania Shipping.

Responsible tank cleaning

Christiania Shipping has initiated a new tank cleaning method, by using spectrometers. Applying spectrometers, the Group openly shares particulate contents of tank washing analysis with customers, surveyors and terminals. The new system ensures:

- A decrease of the number of man entries in tanks for wall wash, inspections etc., and the occurrence of solvent handling used for wall wash medium and the number of third party, surveyor personnel, required to be on board the vessel.
- A reduction of the amount of excessive cleaning chemicals need and the disposal hereof and the cleaning time and unnecessary ship Co2 emissions.
- A goal for 2019 is to keep developing on tank cleaning safety and optimization.

Social responsibilities and employee conditions

Operating in an international and cost-competitive environment, ensuring acceptable working conditions is an important goal for Christiania Shipping. The Group's HSE policy ensures that all employees work in a safe work environment both on the vessels and in the offices. It is the Group's ambition to operate in accordance with all applicable laws and regulations and to treat its employees with dignity and respect. The Group expects its suppliers to operate their businesses in the same way, and in order to ensure to this, it is explicitly stated in the Group's general purchasing terms and conditions that suppliers may not in any way be involved in or related to any form of slavery or forced labor, human trafficking or similar actively. Furthermore, suppliers shall treat all personnel with dignity and respect and shall not tolerate mental or physical abuse or coercion of employees. Nor may suppliers be engaged in or benefit from child labor. The management finds that the requirements are contributing positively to the employee conditions in the suppliers' companies.

It is not the goal to draw up a policy on human rights in 2019, as the Group believes the General Purchasing Terms and Conditions combined with their Code of Conduct to be adequate.

Anti-corruption

As a global Group in the maritime industry, Christiania Shipping is firmly committed to adherence to high ethical standards in addition to applicable laws hereunder anti-corruption. Christiania Shipping has an anti-corruption policy, which states that no employee of Christiania Shipping may be involved in corruption.

Christiania Shipping applies international rules and standards regarding facilitation payments. The Group wants to avoid making facilitation payments, and procedures are in place to resist paying in such.

Anti-money laundry

Christiania Shipping has implemented an Anti-Money Laundering (AML) Policy and Guidelines that further elaborated on the policy statement set out in the Group's CoC. This states that Christiania Shipping will not participate in any form of money laundering, and no member of management or any employee may facilitate, support, directly or indirectly, any payment or transfer of money, which is likely to constitute money laundering.

The responsibility to avoid Christiania Shipping getting involved in any money laundering or dubious transaction applies to all employees and involves all departments and throughout the entire activity chain from the choice of customer or business partner all the way to the execution of payments.

The policy and guidelines include a financial background check of customers/vendors plus a sanctions background check. All employees have received a copy of the policy plus the training necessary to identify the warning signs of money laundering and financial crime.

Gender representation

Currently, the Board of Directors is made up by men. Based on the industry in which the Group acts and the way the Board of Directors is elected, it is the Group's goal to have one woman on the board by 2025. It is, however, the Group's policy at all times to select the candidate with the strongest qualifications no matter their gender, nationality, religion and political conviction.

The gender composition is unchanged compared to last year.

The gender composition on the employees at land is approx. 25% women. The Executive Management of Christiania Shipping consists of one male. There has not been set up a policy regarding the gender composition of the Executive Management.

Consolidated financial statements

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Consolidated income statement

1 January - 31 December

USD '000	Note	2018	2017
Revenue	3	90.590	92.715
Voyage related expenses		-34.823	-29.163
Time charter equivalent earnings		**55.768**	**63.552**
Other operating income		-	22
Charter hire		-13.355	-14.602
Operating expenses	4	-34.540	-38.570
Administrative expenses	4, 5	-4.701	-14.172
Operating profit before depreciation etc. (EBITDA)		**3.172**	**-3.770**
Depreciation	6	-2.901	-8.958
Impairment losses	6	-	-54.026
Gains/losses from sale of fixed assets	6	-14	-483
Operating profit (EBIT)		**257**	**-67.237**
Financial income *	7	145.041	901
Financial expenses	8	-1.974	-7.576
Result before tax		**143.325**	**-73.912**
Tax	9	-228	-94
Net result		**143.097**	**-74.006**
OTHER COMPREHENSIVE INCOME			
Items which will be reclassified to the income statement:			
Exchange rate adjustments arising from translation of entities using another functional currency than USD		-	2
Fair value adjustment of financial instruments		-	31
Other comprehensive income		**-**	**33**
Total comprehensive income		**143.097**	**-73.973**
Attributable to:			
Shareholders of Christiania Shipping		143.097	-73.973
		143.097	**-73.973**

*Including accounting gain related to write-down of debt with USD 144.9 million in 2018

Consolidated balance sheet

at 31 December

USD '000	Note	2018	2017
ASSETS			
Software	10	-	-
Intangible assets		**-**	**-**
Vessels	11	36.594	39.495
Property, plant and equipment	11	5	5
Prepayments on vessels and dockings under construction	11	2.242	-
Tangible assets		**38.841**	**39.500**
Non-current assets		**38.841**	**39.500**
Inventories		1.394	1.791
Trade receivables	12	4.617	5.873
Other receivables	13	1.862	1.748
Prepayments	14	895	2.108
Cash and cash equivalents	15	5.115	8.054
		13.883	**19.574**
Assets held for sale	16	-	5.414
Current assets		**13.883**	**24.988**
Assets		**52.724**	**64.488**

Consolidated balance sheet

at 31 December

USD '000	Note	2018	2017
EQUITY AND LIABILITIES			
Share capital	17	250	250
Retained earnings		5.364	-145.232
Equity		**5.614**	**-144.982**
Provisions	18	19	34
Loans	19	38.700	-
Non-current liabilities		**38.719**	**34**
Loans	19	800	194.523
Trade payables	20	4.765	6.952
Current tax liabilities		161	47
Other payables	21	2.665	7.914
		8.391	**209.436**
Liabilities relating to assets held for sale		-	-
Current liabilities		**8.391**	**209.436**
Liabilities		**47.110**	**209.470**
Equity and liabilities		**52.724**	**64.488**

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Consolidated statement of changes in equity

1 January - 31 December 2018

USD '000	Share capital	Reserves	Retained earnings	Total
Equity at 1 January 2018	**250**	**-**	**-145.232**	**-144.982**
Adjustment on initial application of IFRS 15, net of tax	-	-	34	34
Capital increase	-	-	7.465	7.465
Changes in equity	**-**	**-**	**7.499**	**7.499**
Comprehensive income for the year				
Profit for the year	-	-	143.097	143.097
Total comprehensive income for the year	**-**	**-**	**143.097**	**143.097**
Changes in equity	**-**	**-**	**150.596**	**150.596**
Equity at 31 December 2018	**250**	**-**	**5.364**	**5.614**

1 January - 31 December 2017

USD '000	Share capital	Reserves	Retained earnings	Total
Equity at 1 January 2017	**250**	**-31**	**-71.228**	**-71.009**
Comprehensive income for the year				
Profit for the year	-	-	-74.006	-74.006
Other comprehensive income for the year, net of income tax	-	31	2	33
Total comprehensive income for the year	**-**	**31**	**-74.004**	**-73.973**
Changes in equity	**-**	**31**	**-74.004**	**-73.973**
Equity at 31 December 2017	**250**	**-**	**-145.232**	**-144.982**

Consolidated statement of cash flow

1 January - 31 December

USD '000	Note	2018	2017
Operating profit (EBIT)		257	-67.237
Adjustment for provisions		-15	-176
Adjustment for depreciation		2.901	8.226
Adjustment for impairment losses		-	54.758
Adjustment for gains/losses from sale of fixed assets		14	483
Adjustment for other non-cash items		-67	-289
Change in working capital excl. Accrued interest and tax liabilities	22	-4.683	-455
Interest etc. received		67	60
Interest etc. paid		-1.323	-1.470
Tax paid		-161	-8
Cash flow from operating activities		**-3.011**	**-6.109**
Additions in prepayments on vessels, dockings etc.		-2.242	-664
Proceeds from the sale of tangible assets		5.400	10.512
Cash flow from investing activities		**3.158**	**9.848**
Increase of share capital		1	-
Capital contribution		7.500	-
Loan raised		44.900	-
Installments/repayments on loans		-54.949	-3.879
Cash flow from financing activities	19	**-2.548**	**-3.879**
Net cash flow		**-2.401**	**-140**
Cash and cash equivalents at beginning of the year		8.054	7.904
Exchange rate adjustments		-538	290
Net cash flow		-2.401	-140
Cash and cash equivalents at end of the year		**5.115**	**8.054**

Notes to the consolidated financial statements

Note 1. Changes to accounting policies and significant accounting policies

The annual report for the period 1 January – 31 December 2018 with comparative figures comprises the consolidated financial statements of Christiania Shipping A/S and its subsidiaries (the "Group" or "Christiania Shipping").

The consolidated financial statements of Christiania Shipping for 2018 has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and additional requirements from the Danish Financial Statements Act. Christiania Shipping A/S is a Limited Liability Company with its registered office in Denmark.

The consolidated financial statements are presented in United States Dollars (USD), and the functional currency of the parent company has changed from USD to DKK as of 1 April 2018. At the time of establishment, USD was selected as the parent company's functional currency, but subsequently the currency composition of both revenue and costs have shifted towards EUR/DKK. As a result of this, DKK is considered the parent company's functional currency effective 1 April 2018.

The consolidated financial statements are presented on the basis of historical cost prices.

The most important elements of accounting policies and changes are compared to last year as a result of new and amended standards which are described below. Applied accounting policies are also included in note 30.

The implementation of new or amended IFRS standards

IFRS 9, financial instruments

IFRS 9 replaces IAS 39 and specifies the accounting treatment of financial assets and liabilities in relation to classification and measurement, impairment and hedge accounting.

Changes to accounting treatment of classification and measurements of financial assets and liabilities are not affecting the Group, as the Group's financial assets and liabilities historically are held-to-maturity, and therefore treated as amortized costs.

Changes to accounting treatment of impairment affect the method of calculating the provisions on all receivables. The impact of these changes on the income statement as well as the balance sheet is immaterial.

Changes to accounting treatment of hedge accounting eases the requirements of documented efficiency on hedge accounting. Changes to hedge accounting do not impact the Group as the Group does not currently apply hedge accounting. The Group's policies on risk management are described in the management review.

IFRS 9 was implemented on the 1 January 2018 without adjustments of comparative figures in accordance with the transitional provisions of the Standard.

IFRS 15, revenue recognition

In current year, the Group has applied IFRS 15 Revenue from Contracts with Customers (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2018. IFRS 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Details of the new requirements are described below.

IFRS 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued revenue' and 'deferred revenue', however the Standard does not prohibit an entity from using alternative descriptions in the statement of financial position. The Group has adopted the terminology used in IFRS 15 to describe such balances.

This change in accounting policy was applied on a modified retrospective basis from 1 January 2018. In accordance with the transitional provisions of IFRS 15, the impact of the change in revenue recognition in relation to voyage charters in-progress at 1 January 2018 was adjusted against retained earnings of the Group as at 1 January 2018. Accordingly, the comparative information presented has not been restated.

The Group's accounting policies for its revenue streams are disclosed in detail in note 3 below. Apart from providing more extensive disclosures for the Group's revenue transactions, the application of IFRS 15 has not had any significant impact on the financial position and/or financial performance of the Group. The amount of adjustment for each financial statement line item affected by the application of IFRS is illustrated below.

USD '000			**2018**
	As reported	**IFRS 15 effect**	**Reported excl. IFRS 15**
Revenue	90.590	159	90.749
Voyage related expenses	-34.821	-64	34.885
Time charter equivalent earnings	55.768	96	55.864
Net result	143.097	96	143.193
Equity, end of year	5.614	96	5710
Contract assets, end of year	-159	-159	0
Contract liabilities, end of year	64	64	0

Accounting standards and interpretations not yet adopted

The IASB has issued a number of new or amended financial reporting standards and interpretations, which have been adopted by the EU, and which potentially could have an effect on Christiania Shipping:

- IFRS 16 on Leases – New standard on the recognition of lease contracts that replaces the current standard IAS 17, effective on the 1 January 2019.

IFRS 16, leasing

IFRS 16 implies that virtually all leases are to be recognised in the balance sheet in the leaseholder's accounts in the form of a lease obligation and an asset representing the lessee's right to use the underlying asset.

The Group will implement IFRS 16 the 1 January 2019 by applying the smoother transitional provision. This provision does not require that comparative figures are adapted and allows the effect of the implementation to be recognised in retained earnings the 1 January 2019. In addition, it is expected that the Group will use the other available easements as far as possible, regarding leased assets with low value and leases with a residual maturity of less than 12 months.

The impact of IFRS 16 for the consolidated financial statements has been analysed and it is the management's expectations that the implementation will not have an impact on both the balance sheet, income statement and related key figures. The estimated effect as of the 1 January 2019 on the Groups balance sheet is USD 0, based on the current portfolio of time charter vessels and bareboat charter vessels, as well as other lease agreements.

As of 31 December 2018, the Group has entered into leases which, according to IAS 17, are categorised as operating leases with total future minimum lease payments under non-cancellable leases of USD 20 million (see note 23), which are not recognised in the balance sheet. A preliminary analysis indicates that these will either expire prior to 1 January 2019 or will comply with the definition of short-term leases in accordance with IFRS 16. The Group will therefore not recognise an asset and an associated liability for these on 1 January 2019.

Note 2. Significant accounting estimates, assumptions and uncertainties

In applying the Group's accounting policies described in Note 1 and Note 30, management is required to make estimates, as well as assumptions for the carrying amount of assets and liabilities that cannot be directly derived from other sources. These estimates and assumptions are based on historical experience and other relevant factors. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognised in the accounting period in which the change takes place and in future accounting periods if the change affects both the period during which the change takes place and subsequent accounting periods.

Significant accounting estimates associated with accounting policies

In connection with the application of the accounting policies described in note 30, the management has made the following accounting estimates, with a significant effect on the amounts recognised:

- Voyage revenues and costs
- Measurement of tangible assets
- Depreciation periods
- Taxation

Voyage revenues and costs

Voyage revenues and costs are recognised in accordance with the percentage of completion method with operating revenues and expenses recognised for each voyage. This recognition is based on estimated voyage that are reviewed and updated at each period end.

Measurements of tangible assets

The Group evaluates the carrying amount of vessels and other net assets to determine whether events have occurred that would require an adjustment to the recognised value of the net assets. The impairment tests are based on discounted future cash flow models, which are compared to the carrying amount of the assets within the cash generating units. The impairment tests are prepared based on assumptions including future freight rates, earnings from vessels and management activities as well as discount rates. All of these factors have been historically volatile.

Depreciation periods

Depreciation on vessels is material for the Group. Vessels are depreciated over their useful life, which management estimates to be 25 years, to a residual value. The estimates of useful life and residual values are reassessed regularly based on available information. Changes to estimates of useful lives and residual values may affect the annual depreciation expenses.

Taxation

The Group has entered the Danish tonnage tax regime for a binding 10-year period from 2012.

The tax rules are complicated when a company activities is partly covered by the tonnage tax regime and partly by regular taxation. In calculation of the taxable income, estimates are made which in later assessment by the Danish tax authorities may result in correction to previous estimates of recognised tax assets and liabilities in the statement of financial position.

Note 3. Revenue

USD '000	2018	2017
Freight revenue	71.984	73.517
Time charter revenue	9.430	12.487
Other voyage related revenue	9.176	6.711
Revenue	**90.590**	**92.715**

Note 4. Staff costs

USD '000	2018	2017
Land based employees (included in administrative expenses)		
Wages and salaries	2.180	843
Pensions, defined contribution plans	89	81
Other social security expenses	200	186
Other staff expenses	4	6
	2.472	**1.116**
Seafarers (included in operating expenses)		
Wages and salaries	17.379	14.326
Pensions, defined contribution plans	922	629
Other social security expenses	-	9
	18.300	**14.964**
Total staff costs	**20.772**	**16.080**

Average employees	2018	2017
Land based employees	19	9
Seafarers	305	255
	324	**264**

USD '000	2018	2017
Board of Directors		
Remuneration to the Board of Directors*	-	99

Persons in the Board of Directors and key management, average	2018	2017
Board of Directors	3	5
CEO and key management personnel*	1	1
	4	**6**

*Information on remuneration for CEO and key management personnel has been committed with reference to Section 98b (3) of the Danish Financial Statements Act.

Note 5. Fees to the auditor appointed at the general meeting

USD '000	2018	2017
Audit	60	60
Tax consultancy	13	13
Other servicess	-	75
Total	**73**	**148**

Note 6. Depreciations, impairments and gains/losses

USD '000	2018	2017
Depreciation of intangible assets, ref. note 10	-	27
Depreciation of tangible assets, ref. note 11	2.901	8.555
Depreciation of assets held for sale 16	-	376
Depreciations	**2.901**	**8.958**
Impairment losses, tangible assets, ref note 11	-	53.994
Impairment losses, assets held for sale, ref note 16	-	32
Impairment losses	-	**54.026**
Gains/losses re. sale of tangible assets, ref. note 11	14	483
Gains/losses	**14**	**483**

Note 7. Financial income

USD '000	2018	2017
Interest income	67	60
Exchange rate adjustments	-	841
Debt forgiveness	144.974	-
Financial income	**145.041**	**901**

Note 8. Financial expenses

USD '000	2018	2017
Interest expenses on mortgage debt	1.143	5.903
Other interest expenses	289	844
Exchange rate losses	495	746
Other financial expenses	48	83
Financial expenses	**1.974**	**7.576**

Note 9. Tax

USD '000	2018	2017
Tax on the results for the year	228	98
Adjustments of tax regarding previous years	-	-4
Tax for the year recognized in the income statement	**228**	**94**

The majority of the Group's income tax base is located in Denmark, and therefore subject to the Danish tonnage tax scheme. The Group's has entered the tonnage tax scheme the 1 January 2011, with a binding period of 10 years, and it's the Group's expectation to continue to participate in the tonnage tax scheme after the binding period expires, with an equivalent or higher activity level as at the time where the Group entered the tonnage tax scheme.

The Group did not own any vessels upon entering the tonnage tax scheme; consequently, the Group has no deferred, or contingent, taxes from the transitional period.

Under the tonnage tax scheme, income and expenses from shipping activities are not subject to direct taxation and accordingly an effective rate reconciliation has not been provided as it would not provide any meaningful information. Instead, the taxable income is calculated from:

- The net tonnage of the vessels used to generate the income from shipping activities
- A rate applicable to the specific net tonnage of the vessel based on a sliding scale

Due to the provisions of the tonnage tax scheme, the effective tax rate of the group is 0.2 % (2017: -0,1 %).

No deferred tax assets or liabilities are recognised 31 December 2018. The tax asset of non-recognised tax losses and tax credits carried forward, with certain limitations in subsidiaries and time, amounts to USD 0 (2017: USD 0) for the Group, There are no unrecognised tax liabilities associated with investments in foreign subsidiaries and jointly controlled companies.

Note 10. Intangible assets

USD '000	Software
Cost at 1 January 2017	1.300
Cost at 31 December 2017	**1.300**
Accumulated depreciations at 1 January 2017	-1.273
Depreciations for the year	-27
Depreciations at 31 December 2017	**-1.300**
Carrying amount at 31 december 2017	**-**
Cost at 1 January 2018	1.300
Disposals during the year	-1.300
Cost at 31 december 2018	**-**
Accumulated depreciations at 1 January 2018	-1.300
Disposals during the year	1.300
Depreciations at 31 december 2018	**-**
Carrying amount at 31 december 2018	-

Note 11. Tangible assets

USD '000	Vessels	Property and equipment	Prepayments on vessels and dockings	Total
Cost at 1 January 2017	270.128	149	-	270.277
Addition during the year	-	-	664	664
Transfers to/from other items	664	-	-664	-
Transfers to assets held for sale	-17.596	-	-	-17.596
Cost at 31 December 2017	**253.196**	**149**	**-**	**253.345**
Accumulated depreciations at 1 January 2017	-107.067	-144	-	-107.211
Depreciation for the year	-8.555	-	-	-8.555
Transfer to assets held for sale	8.715	-	-	8.715
Depreciations at 31 December 2017	**-106.907**	**-144**	-	**-107.051**
Write - downs at 1 January 2017	-56.267	-	-	-56.267
Write - downs for the year	-53.994	-	-	-53.994
Transfer to assets held for sale	3.467	-	-	3.467
Write - downs at 31 December 2017	**-106.794**	-	-	**-106.794**
Carrying amount at 31 December 2017	**39.495**	**5**	-	**39.500**

USD '000	Vessels	Property and equipment	Prepayments on vessels and dockings	Total
Cost at 1 January 2018	253.196	149	-	253.345
Additions during the year	-	-	2.242	2.242
Disposals during the year	-	-	-	-
Transfer to/from other items	-	-	-	-
Transfer to assets held for sale	-	-	-	-
Cost at 31 December 2018	**253.196**	**149**	**2.242**	**255.587**
Accumulated depreciations at 1 January 2018	-106.907	-144	-	-107.051
Depreciations for the year	-2.901	-	-	-2.901
Transfer to assets held for sale	-	-	-	-
Depreciations at 31 December 2018	**-109.808**	**-144**	**-**	**-109.952**
Write - downs at 1 January 2018	-106.794	-	-	-106.794
Write - downs for the year	-	-	-	-
Transfer to assets held for sale	-	-	-	-
Write - downs at 31 December 2018	**-106.794**	**-**	**-**	**-106.794**
Carrying amount at 31 december 2018	**36.594**	**5**	**2.242**	**38.841**

According to the Group's accounting policy, a write-down is made to the higher of the sales price (less costs to sell) and the value in use if there is an impairment indication.

As of 31 December 2018, Management assessed if any impairment indication exists for the Group's fleet. The fleet, including vessels chartered on time charter and bareboat charter agreements, is seen as one cash-generating unit (CGU). Following the assessment, Management has assessed that there is no impairment indication, and hence no further impairment calculation has been performed.

The assessment is based upon the fact that last year, a significant impairment was taken. Given the current market situation, Management assesses that the conditions are similar to prior years supporting the claim that vessel values are yet the same as after the impairment being taken in 2017, however, Management also believes that the likelihood of a somewhat improved market is higher than the likelihood that the market will deteriorate further. External broker valuations are more than USD 80 million and are yet higher than the book values (USD 38.8 million). Based on the impairment test, Management has concluded that there is not a need to write down the carrying amount of the fleet. As the broker values do not necessarily reflect the sales values no reversals of previously recognised impairments have been made.

Please refer to note 30 for further information.

Note 12. Trade receivables

USD '000	**2018**	**2017**
Receivables from freight and management services	4.447	5.400
Accrued income	170	511
Provisions for bad debt	-	-38
Trade receivables	**4.617**	**5.873**
Hereof:		
Not due	3.636	4.625
Overdue 1-90 days	526	705
Overdue more than 90 days	455	543
	4.617	**5.873**

The fair value of trade receivables approximates the carrying amount.

A provisioning account is used to reduce the carrying amount of receivables from sales and services whose value is impaired due to loss risk.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses are estimated using a provision matrix based on historical experiences. The Group has recognized a loss allowance of 50 % against all receivables over 6 months overdue and 100 % against all receivables over 12 months overdue.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

Note 13. Other receivables

USD '000	2018	2017
Deposits	738	643
Insurance claims and other claims	770	-
Miscellaneous receivables	354	1.105
Other receivables	**1.862**	**1.748**

The fair value of other receivables approximates the carrying amount.

Note 14. Prepayments

USD '000	2018	2017
Prepayments regarding time charter and bareboat charter agreements	552	635
Insurance prepayments	96	181
Other prepayments to suppliers etc.	247	1.292
Prepayments	**895**	**2.108**

Note 15. Cash and cash equivalents

USD '000	2018	2017
USD	3.902	6.491
EUR	1.095	886
DKK	118	446
Other currencies	0	231
Cash and cash equivalents	**5.115**	**8.054**
Hereof:		
Unrestricted	5.115	4.678
Restricted	-	3.376
	5.115	**8.054**

Note 16. Assets held for sale

USD '000	2018	2017
Carrying amount at 1 January	5.414	11.403
Transfer from tangible assets for the year	-	5.414
Disposals for the year	-5.414	-10.995
Revaluations for the year	-	-408
Other movements	-	-
Carrying amount at 31 december	**-**	**5.414**

Note 17. Share capital

	2018			2017		
	Number of shares	Nominal value DKK	Share capital DKK	Number of shares	Nominal value DKK	Share capital DKK
Shares	1.701	146,78	249.673	1.700	146,78	249.526
Share capital 31 December	**1.701**	**146,78**	**249.673**	**1.700**	**146,78**	**249.526**

The company's share capital was reduced in 2015 with USD 2.788 thousands and increased in 2018 with USD 0.2 thousands.

Note 18. Provisions

USD '000	2018	2017
Provison for loss-making time-charter contracts	19	34
Provisions	**19**	**34**

Note 19. Loans

USD '000	2018	2017
Current portion of non-current debt with maturities within 1 year	800	194.523
Non-current debt with maturities between 1 and 5 years	38.700	-
Non-current debt with maturities over 5 years	-	-
Total	**39.500**	**194.523**
Hereof:		
Loans denominated in USD with floating interest rate	39.500	194.523
Total	**39.500**	**194.523**

The fair value of the loans approximates the carrying amount. The loan agreement includes minimum requirements (financial covenants) for liquidity. The requirements were met throughout 2018 and 2017.

USD '000	31 December 2017	Financing cash flow (i)	Loan raised (ii)	Debt forgiveness (iii)	31 December 2018
Bank loans	182.023	-42.449	44.900	-144.974	39.500
Loans from related parties	12.500	-12.500	-	-	-
Total	194.523	-54.949	44.900	-144.974	39.500

(i) The cash flows from bank loans from related parties and other borrowings make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

(ii) Loan raised in connection with the ANE Shipping AS' acquisition of Christiania Shipping A/S.

(iii) The debt forgiveness was provided to the company in connection with ANE Shipping AS' acquisition of Christiania Shipping A/S.

Note 20. Trade payables

USD '000	2018	2017
Payables for good and services	2.656	1.932
Accrued costs	2.109	5.020
Trade payables	**4.765**	**6.952**

Note 21. Other payables

USD '000	2018	2017
Employees' withheld income taxes, pensions, social contributions etc.	1.868	1.739
Miscellaneous payables	797	6.175
Other payables	**2.665**	**7.914**

Note 22. Changes in working capital

USD '000	2018	2017
Change in inventories	-397	611
Change in trade receivables	-1.256	2.213
Change in other receivables	114	438
Change in prepayments	-1.213	65
Change in trade payables	2.187	358
Change in other payables excl. accrued interest and tax liabilities	5.249	-3.230
Change in working capital excl. accrued interest and tax liabilities	**4.683**	**455**

Note 23. Operating lease liabilities

The company has entered into operational lease agreements, charter contracts, whose maturity can be calculated accordingly:

USD '000	2018	2017
Bareboat and time charter agreements		
The Group has entered into bareboat agreements falling due until 2019		
Bareboat and time charter obligations with maturities wittin 1 year	2.989	9.385
Bareboat and time charter obligations with maturities between 1 and 5 years	7.305	1.504
Bareboat and time charter obligations with maturities over 5 years	9.255	-
Total	**19.549**	**10.889**
Rental commitments		
The group has entered into irrevocable rental agreements regarding office facilities		
Rental commitments with maturities within 1 year	132	-
Rental commitments with maturities between 1 and 5 year	-	-
Rental commitments with maturities over 5 year	-	-
Total	**132**	**-**

Note 24. Unrecognised contingent assets and liabilities

The Group is not involved in any lawsuits involving claims against the Group. However, claims have been made against the Group regarding demurrage etc. It is Management's opinion that the outcome of these disputes will not have any material impact on the Group's financial position, result or cash flow.

The Group is not involved in any lawsuits, disputes etc. involving claims from the Group against third parties.

The Group has not issued any guarantees.

Note 25. Mortgages and security

USD '000.000	2018	2017
Loans secured by mortgages in vessels	40	183
Carrying amount of vessels being mortgaged	39	40
Value of mortgages	40	246

Note 26. Related party disclosures and transactions with related parties

Related parties with controlling influence

Related parties with controlling influence consist of the boards in ANE Shipping A/S, based in Oslo, Norway that ultimately controls the Group with 100% ownership.

Transactions with related parties

The related parties comprise the Executive Board, members of the Board of Directors, as well as their close relatives. Related parties also include companies in which the above-mentioned persons have significant interests as well as companies and foundations, which have direct or indirect considerable influence through shareholding. Remuneration of the Board of Directors and the Executive Management are disclosed in note 4.

In the financial year, the Group had the following transactions with related parties:

USD '000	Key personnel in manage-ment	Parent companies	Other related parties*	Total
2018				
Administive services (expense)	-	180	-	180
Shareholder loan	-	12.500	-	12.500
2017				
TCE income	-	-	2.922	2.922
Charter hire (Income)	-	-	-6	-6
Operating expenses	-	-	-387	-387
Remunerations etc. ref. note 4	99	-	-	99
Administive services (expense)	-	-	7.962	7.962
Net financials	-	-	-202	-202
Other receivables	-	-	58	58
Shareholder loan	-	12.500	-	12.500
Trade payables	-	-	-498	-498

Transactions with subsidiaries have been eliminated in the consolidated financial statements in accordance with the accounting policies applied.

Note 27. Financial risks

Due to the nature of Christiania Shipping's operations, the Group is mainly exposed to risks relating to fluctuations in freight rates, bunker prices, interest rates and currency rates.

Freight rates

EUR '000	2018	2017
Sensitivity re. freight rates: Effect of 1% increase in freight rates (spot)		
Change in profit before tax	900	930
Change in equity	900	930

Bunker prices

EUR '000	2018	2017
Sensitivity re. bunker prices: Effect of 1% increase in bunker price		
Change in profit before tax	200	160
Change in equity	200	160

Interest rates

EUR '000	2018	2017
Sensitivity re. interest rates: Effect of 100 basis points increase in LIBOR		
Change in profit before tax	400	1.940
Change in equity	400	1.940

Currency rates

EUR '000	2018	2017
Sensitivity re. currency rates: Effect of 1% increase in USD/EUR rate		
Change in profit before tax	100	100
Change in equity	100	100

Note 28. Companies in the Group

Company	Country	Registration number	Owner-ship	Voting rights
Christiania Shipping A/S	Denmark	39164353	100%	100%
Christiania Shipping Asia Pte. Ltd.	Denmark	37369306	100%	100%
Christiania Shipping France SARL	Denmark	37371548	100%	100%

Christiania Shipping Asia Pte. Ltd. was dissolved as at 3 April 2019.

Note 29. Subsequent events

In February 2019, Christiania Shipping A/S leased a new vessel (Stella Theresa) on a bare boat agreement, which includes a purchase option in year 10 when the lease agreement ends.

There have been no other subsequent events than the abovementioned.

Note 30. Accounting policies

Accounting policies in addition to those described in note 2, is as described below.

Consolidated financial statements

The consolidated financial statements include Christiania Shipping A/S (parent company) and the enterprises (subsidiaries) which are controlled by the parent company. Control is achieved when the company:

- has the power of the investee
- is exposed or has the right to variable returns from involvement with the investee
- has the ability to use its power to affect its returns

The Group's joint control or significant influence over an entity or activity is subject to an assessment of power and exposure to variability in returns. When assessing joint control, an analysis is carried out to determine which decisions require unanimity and whether these concern the activities that significantly affects return. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement, which is typically relevant for the pool arrangements in which some of the Group's vessels operate. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Basis of consolidation

The consolidated financial statements have been prepared on the basis of the accounts of Christiania Shipping A/S and its subsidiaries and joint arrangements. The consolidated financial statements have been prepared by adding together items of a uniform nature. The accounts used for consolidation purposes have been prepared in accordance with the Group's accounting policies. Intercompany income and expenses, intercompany balances and dividends as well as profit and loss from intercompany transactions have been eliminated on consolidation. Subsidiaries' items are recognised in full in the consolidated financial statements. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Company. Investments in joint arrangements are recognised and measured in the consolidated financial statements pro rata with the Group's ownership interest and presented on a line-by-line basis in the consolidated financial statements. The proportionate share of the results of the entities after tax and elimination of unrealised proportionate intercompany profits and losses is recognised in the income statement.

Business combinations

Newly acquired or formed entities are recognised in the consolidated financial statements from the date of acquisition or formation. The date of acquisition is the date on which control over the entity is effectively transferred.

When purchasing new entities where the Group has a controlling influence over the acquired business, the acquisition method is used, after which the entities' assets, liabilities, contingent liabilities are measured at fair value at acquisition date. Non-current assets, which are acquired with intention to sale, are measured at fair value withdrawn expected sales costs. Restructuring costs are recognised in the acquisition balance, only if they constitute a liability for the acquired entity. The tax effect of the revaluations is taken into account.

The consideration for a company consists of the fair value of the consideration paid for the acquired entity. If the final determination of the consideration is conditional on one or more future events, these are recognised at their fair value at the acquisition date. Costs relating to the acquisition are recognised in the income statement at the time of the event.

Positive difference (goodwill) between the acquisition cost of the acquired entity, the value of minority interests in the acquire and the fair value of previously acquired interests and the fair value of the acquired assets, liabilities and contingent liabilities is recognised as an asset in intangible assets and tested at least once a year for impairment. If the carrying amount of the asset exceeds its recoverable amount, it is depreciated to the lower recoverable amount.

In the case of negative differences (negative good-will), the estimated fair values are recalculated purchase consideration for the enterprise, the value of minority interests in the acquired company and the fair value of previously acquired shareholdings. If the difference is still negative, the difference is recognised as an extraordinary income in the income statement.

If, at the time of acquisition, uncertainty exists regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration, first recognition is based on preliminary values. The provisionally calculated values can be adjusted or additional assets or liabilities are recognised up to 12 months after the acquisition, if new information has been obtained regarding circumstances existing at the acquisition date that would have affected the valuation of the acquisition date if the information was known.

Subsequent changes in estimates of conditional purchase remuneration are generally recognised directly in profit or loss.

Profits or losses on the sale or settlement of subsidiaries and associates

Profits or losses of sale or settlement of subsidiaries and associates that result in termination of control and significant influence are calculated as the difference between the fair value of the sales proceeds or the settlement amount and the fair value of any remaining equity interests and, on the other hand, the carrying amount of the net assets at the disposal or settlement date, including goodwill, withdrawn any minority interests. The realised profit or loss is recognised in the income statement as well as accumulated exchange rate adjustments previously recognised in other comprehensive income.

Foreign currency translation

The presentation currency of the Group is USD, however, the functional currency of the parent company is DKK. On initial recognition, transactions in currencies other than the functional currency of each entity are translated using the exchange rate at the date of the transaction. Receivables, payables and other monetary items in foreign currencies, which have not been settled at the balance sheet date, are translated using the rate of exchange at the balance sheet date. Any exchange differences arising between the rate of exchange at the date of the transaction and the rate of exchange at the date of payment and the balance sheet date, respectively, are recognised in the income statement as financial income and expenses. Property, plant and equipment, intangibles, inventories and other non-monetary assets purchased in foreign currencies and measured using historical costs are translated using the rate of exchange at the date of the transaction.

Income statement

Revenue

Income, including revenue, is recognised in the income statement when:

- The income generating activities have been carried out on the basis of a binding agreement
- The income can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to the Group
- Costs relating to the transaction can be measured reliably

Revenue comprises freight, demurrage and management fees. Revenue is recognised when it meets the general criteria mentioned above and the stage of completion can be measured reliably. The stage of completion is based on the number of on hire days completed divided by the expected total voyage days for the individual voyage. Accordingly, freight revenue is recognised at selling price multiplied by stage of completion for voyages in progress at year-end.

The Group generates part of its revenue through pool or joint venture arrangements. Total pool revenue is generated from each vessel participating in the pool.

The pool measures revenue based on the contractual rates and the duration of each voyage, and revenue is recognised in the pools income statement upon delivery of service in accordance with the Groups definition on recognising income. The pools are regarded as joint arrangements, and the Group's share of items in the income statement and balance sheet in the respective pools is accounted for by recognising a proportional share, based on participation in the pool. The Group's share of pool revenue is primarily dependent on the number of days the Group's vessels have been available for the pools in relation to the total available pool earning days during the period.

Voyage related expenses

These are expenses related to voyages performed by the Groups vessels. Voyage related expenses consist mainly of bunkers, port expenses and commissions. Voyage related expenses are recognised as incurred.

Charter hire

Lease payments relating to charter hire (operating leases) are recognised using the straight-line method in the income statement over the term of the leases.

Operating expenses

Operating expenses include costs relating to the operation and maintenance of vessels, including costs relating to crew. Operating expenses are recognised as incurred.

Administrative expenses

Administrative expenses include the cost of offices, personnel costs and administrative costs. Staff costs comprise wages and salaries, social security and pension costs, etc. and are recognised as incurred.

Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation of tangible fixed assets for the period as well as the impairment of the value of assets by the amount by which the carrying amount of the asset exceeds its recoverable amount. In the event of indications of impairment, the carrying amount is assessed, and the value of the asset is impaired to its recoverable amount equal to the higher of value in use based on net present value of future earnings from the assets and its net selling price.

Financial items

Financial items comprise interest income and expenses, realised and unrealised gains and losses on securities, liabilities and foreign currency transactions, dividends, estimated interest expenses relating to amortization allowances or deductions relating to mortgage debt etc. as well as surcharges and allowances under the Danish Corporate Tax Scheme.

Interest income and expenses are accrued on the basis of the principal and the effective interest rate. The effective interest rate is the discount rate that will be used to discount the expected future payments that are linked to the financial asset or financial liability so that their present value corresponds to the carrying amount of the asset and liability.

Dividends from investments in equity interests are recognised when a final right has been acquired for the dividend. This will typically be stated at the time of the general meeting's approval of the distribution from the company in question. However, in the consolidated financial statements this does not apply to investments in associates that are measured using the equity method.

Tax

The Groups current tax of the year consist of estimated tax according to the Danish Tonnage Tax Act for all shipping activities, and according to general tax regulations for net financial income and other activities. Other activities consist of the Groups management fee income. Shipping activities are taxed based on the net tonnage (vessels) which the Group has at its disposal.

Based on the Group's planned use of vessels and recovery of reversed depreciation, the tonnage tax regime does not result in a deferred tax liability, but is merely incorporated as a contingent liability. Other activities of the Group are not subject to deferred tax either.

Balance sheet

Intangible assets

Intangible assets pertain to developed software which is measured at cost less amortizations. The cost comprises the cost of acquisition and any expenses directly related to the acquisition until the time when the asset is ready for use. Developed software is amortized over a period of 3 years (36 month) in a straight-line.

Property, plant and equipment, vessels and dry-docking

Property, plant and equipment, vessels, upgrade costs, dockings and office and IT equipment, and are measured at cost less accumulated depreciation and impairment losses. The cost comprises the cost of acquisition and any expenses directly related to the acquisition until the time when the asset is ready for use, including interest expenses incurred during the period of construction. Other borrowing costs are taken to the income statement. Depreciation is charged over the expected economic lives of the assets, and the depreciation methods, expected lives and residual values are reassessed individually for the assets at the end of each financial year.

Vessels

Vessels are measured at cost less accumulated depreciation and write-downs. All major components of vessels except for dry-docking assets are depreciated on a straight-line basis to the estimated residual value over their estimated useful lives, which the Group estimates to be 25 years. Depreciation is based on cost less the estimated residual value. Residual value is estimated as the light weight tonnage of each vessel multiplied by scrap value per ton. The useful life and residual value of the vessels are reviewed at least at each financial year-end based on market conditions, regulatory requirements and the Group's business plans. Moreover, the Group evaluates the carrying amount of the vessels to determine whether events have occurred that indicate impairment and would require an adjustment of the carrying amounts. Prepayments on vessels under construction are recognised as instalments paid.

Dry-dockings

The fleet of own vessels is required to undergo planned dry dockings for major repairs and maintenance, which cannot be carried out while the vessels are operating. Dry-dockings are generally required every 30-60 months depending on the nature of the work, and the age of the vessel. Costs relating to dry-dockings are capitalised and depreciated on a straight-line basis over a period of 60 months or to the next dock if within 30 months. The residual value is estimated at zero. A portion of the cost of acquiring a new vessel is allocated to the components which are expected to be replaced or refurbished at the next dry-docking. For new buildings, the initial dry-docking asset is estimated on the basis of the expected costs related to the first-coming docking, which is based on experience with similar vessels. At subsequent dry-dockings, the asset comprises the actual docking costs incurred.

Office and IT equipment: Office and IT equipment is depreciated on a straight-line basis over the estimated useful lives, which does not exceed 5 years.

Impairment tests

The carrying amounts of property, plant and equipment with finite useful lives are evaluated at the balance sheet date to determine whether there are indications of impairment. If an indication of impairment is identified, the recoverable amount of the asset is estimated in order to determine the need for recognising an impairment loss and the extent hereof. If an asset does not generate cash flows that are independent from other assets, the recoverable amount is determined for the smallest cash-generating unit to which the asset belongs. The Group is considered as one cash generating unit. The recoverable amount is defined as the higher of the fair value of the asset or the cash generating unit less costs to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money, the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For vessels, the fair value is usually determined based on the estimated selling price less costs to sell. If the recoverable amount of the asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount.

An impairment loss for cash-generating units is allocated to the assets of the unit, but no asset will be reduced to a lower value than its fair value deducted expected costs to sell. Impairment losses are recognised in the statement of comprehensive income. If an impairment loss subsequently is reversed as a result of changes in the assumptions used to determine the recoverable amount, the carrying amount of the asset or cash-generating unit is increased to the revised recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit.

Other financial fixed assets

Other financial fixed assets consists of loans with maturities longer than 12 months after the reporting period. Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans are initially measured at fair value and subsequently at amortized cost, which usually equals the nominal value less provisions for bad debts. Impairment is assessed individually using a provisions account.

Deposits are considered a non-current asset, when the lease agreements is interminable within 12 months from the balance sheet date.

Other investments are presented as non-current, unless Management intends to dispose of the investments within 12 months from the balance sheet date.

Inventories

Inventories are measured at cost according to the FIFO method, or net realizable value if lower. Inventories consist of bunkers and lubricants etc. The cost of bunkers and lubricants includes the purchase price and delivery costs.

Receivables

Receivables comprise trade receivables (including accrued income) and other receivables. Receivables are classified as receivables that are financial assets, with fixed or determinable payments, which are not quoted in an active market and which are not derivative financial instruments. Receivables are initially measured at fair value and subsequently at amortized cost, which usually equals the nominal value less provisions for bad debts. Impairments is assessed at an individual level, as well as at a portfolio level using an accrued account.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Assets held for sale

Assets held for sale and related liabilities are presented separately from other assets and liabilities and measured at the lower value of its carrying amount and fair value less cost to sell.

Dividends

Dividend are recognised as a liability at the time of approval by the General Meeting. Dividends proposed by Management in respect of the year are stated under equity.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured as the best estimate of the expenditure required to settle the obligation at the balance sheet date. Provisions with an expected maturity of more than one year from the balance sheet date are measured at present value.

Non-current and current financial liabilities (interest bearing debt)

Finance loans are initially measured at fair value less any transaction costs. Finance loans are subsequently measured at amortized cost. This means that the difference between the amount on initial recognition and the redemption value is recognised in the income statement as a financial expense over the term of the loan using the effective interest method.

Other liabilities

Other liabilities comprise trade payables (including accrued costs) and other payables to public authorities, etc. Other liabilities are initially measured at fair value less any transaction costs. Liabilities are subsequently measured at amortized cost using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement as a financial expense over the term of the liability.

Cash flow statement

The consolidated cash flow statements are presented using the indirect method and show cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are stated as the operating profit or loss, adjusted for non-cash operating items and changes in working capital, less corporation tax paid attributable to operating activities.

Cash flows from investing activities include payments in connection with the acquisition and divestment of enterprises and financial assets and the acquisition, development, improvement and sale, etc. of intangibles and property, plant and equipment.

Cash flows from acquisition and divestment of enterprises are shown separately under cash flows from investing activities. Cash flows from acquired enterprises are recognised in the cash flow statement from the time of their acquisition, and cash flows from divested enterprises are recognised up to the time of sale. Cash flows from financing activities comprise changes in the parent company's share capital and related costs as well as raising and repayment of loans, instalments on interest bearing debt, acquisition of treasury shares and payment of dividend. Cash flows in other currencies than the functional currency are recognised in the cash flow statement using average exchange rates for the respective months, unless these deviate materially from the actual exchange rates ruling at the dates of the transactions. If so, the actual exchange rates are used.

Parent company financial statements

Page

Parent company income statement

1 January – 31 December

USD '000	Note	2018	2017
Revenue	3	90.590	89.307
Voyage related expenses		-34.822	-29.073
Time charter equivalent earnings		**55.768**	**60.234**
Other operating income		-	53
Charter hire		-13.355	-14.599
Operating expenses	4	-34.540	-37.171
Administrative expenses	4, 5	-4.720	-14.009
Operating profit before depreciation etc. (EBITDA)		**3.153**	**-5.492**
Depreciation	6	-2.901	-8.582
Impairment losses	6	-	-54.026
Gains/losses from sale of fixed assets	6	-14	203
Share of results of subsidiary companies	7	-1.677	466
Operating profit (EBIT)		**-1.439**	**-67.431**
Financial income *	8	146.725	783
Financial expenses	9	-1.973	-7.353
Result before tax		**143.313**	**-74.001**
Tax	10	-216	-5
Net result		**143.097**	**-74.006**
OTHER COMPREHENSIVE INCOME			
Items which will be reclassified to the income statement:			
Fair value adjustment of financial intruments		-	31
Other comprehensive income		-	**31**
Total comprehensive income		**143.097**	**-73.975**
Attributable to:			
Shareholders of Christiania Shipping		143.097	-73.975
		143.097	**-73.975**

*Including accounting gain related to write-down of debt with USD 146.7 million in 2018

Parent company balance sheet

at 31 December

USD '000	Note	2018	2017
ASSETS			
Software	11	-	-
Intangible assets		**-**	**-**
Vessels	12	36.594	39.495
Prepayments on vessels and dockings under construction	12	2.242	0
Tangible assets		**38.836**	**39.495**
Investments in subsidiaries	13	218	1.954
Other financial fixed assets		-	164
Financial assets		**218**	**2.118**
Non-current assets		**39.054**	**41.613**
Inventories		1.394	1.765
Trade receivables	14	4.344	5.869
Receivables from subsidiaries		-	7
Othe receivables	15	1.820	1.747
Prepayments	16	888	1.908
Cash and cash equivalents	17	5.016	5.840
		13.461	**17.136**
Assets held for sale	18	-	5.414
Current assets		**13.461**	**22.550**
Assets		**52.515**	**64.163**

Parent company balance sheet

at 31 December

USD '000	Note	2018	2017
EQUITY AND LIABILITIES			
Share capital	19	250	250
Reserves		-	-
Retained earnings		5.364	-145.232
Equity		**5.614**	**-144.982**
Provisions	20	19	34
Loans	21	38.700	-
Non-current liabilities		**38.719**	**34**
Loans	21	800	194.523
Trade payables	22	4.755	6.977
Current tax liabilities		157	-
Other payables	23	2.471	7.611
		8.182	**209.111**
Liabilities related to assets held for sale		-	-
Current liabilities		**8.182**	**209.111**
Liabilities		**46.901**	**209.145**
Equity and liabilities		**52.515**	**64.163**
Accounting policies	1		
Unrecognized contingent assets and liabilities	27		

Parent company statement of changes in equity

1 January - 31 December 2018

USD '000	Share capital	Reserves	Retained earnings	Total
Equity at 1 January 2018	**250**	**-**	**-145.232**	**-144.982**
Adjustment on initial application of IFRS 15, net of tax	-	-	34	34
Capital increase	-	-	7.465	7.465
Changes in equity	**-**	**-**	**7.499**	**7.499**
Comprehensive income for the year				
Profit for the year	-	-	143.097	143.097
Total comprehensive income for the year	**-**	**-**	**143.097**	**143.097**
Changes in equity	**-**	**-**	**150.596**	**150.596**
Equity at 31 December 2018	**250**	**-**	**5.364**	**5.614**

1 January - 31 December 2017

USD '000	Share capital	Reserves	Retained earnings	Total
Equity at 1 January 2017	**250**	**-31**	**-71.228**	**-71.009**
Comprehensive income for the year				
Profit for the year	-	-	-74.006	-74.006
Other comprehensive income for the year, net of income tax	-	31	2	33
Total comprehensive income for the year	**-**	**31**	**-74.004**	**-73.973**
Changes in equity	**-**	**31**	**-74.004**	**-73.973**
Equity at 31 December 2017	**250**	**-**	**-145.232**	**-144.982**

Parent company cash flow statement

1 January - 31 December

USD '000	Note	2018	2017
Operating profit (EBIT)		-1.439	-67.431
Adjustment for provisions		-15	-176
Adjustment for depreciation		2.901	7.850
Adjustment for impairment losses		-	54.758
Adjustment for gains/losses from sale of fixed assets		14	-203
Adjustment for share of results of subsidiaries		1.677	-466
Adjustment for other non-cash items		1.685	-264
Change in working capital excl. Accrued interest and tax liabilities	24	-4.519	526
Interest etc. received		66	17
Interest etc. paid		-1.323	-1.347
Tax paid		-217	-8
Cash flow from operating activities		**-1.169**	**-6.745**
Additions in prepayments on vessels, dockings etc.		-2.242	-664
Proceeds from the sale of tangible assets		5.400	4.573
Cash flow from investing activities		**3.158**	**3.909**
Proceeds from borrowing		-	8.197
Increase of share capital		1	-
Capital contribution		7.500	-
Loan raised		44.900	-
Installments/repayments on loans		-54.949	-3.782
Cash flow from financing activities		**-2.548**	**4.415**
Net cash flow		**-559**	**1.579**
Cash and cash equivalents at beginning of the year		5.840	3.992
Exchange rate adjustments		-265	269
Net cash flow		-559	1.579
Cash and cash equivalents at end of the year		**5.016**	**5.840**

Notes to the parent company financial statements

Note 1. Changes to accounting policies and significant accounting policies

The parent company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and additional requirements from the Danish Financial Statements Act. Christiania Shipping A/S is a Limited Liability Company with its registered office in Denmark.

The Parent Company uses the same accounting policies for recognition and measurement as the Group. The cases, where the Parent Company's accounting policies differ from the Group, these are described below. For a detailed description of the Parent Company's accounting policies, see Note 30 to the Consolidated Financial Statements.

The implementation of new or amended standards and interpretations that have entered into force has not resulted in significant changes in accounting policies in the parent company's financial statements.

At the time of publication of this annual report, there are a number of new or amended standards and interpretations that have not yet come into effect and are therefore not incorporated in the parent company's annual accounts. Management believes that these will not have a material impact on the financial statements for the coming financial years.

The new or amended standards and interpretations mainly consists of:

- IFRS 9 on Financial Instruments
- IFRS 15 on Revenue recognitions
- IFRS 16 on Leases

For detailed descriptions of the new or amended standards and interpretation, see note 1.

IFRS 9, IFRS 15 and IFRS 16 are implemented using same method as described in note 1 in the consolidated financial report.

Cases where the parent company's accounting policies differ from the Group

Results from investments in subsidiaries

Results from investments in subsidiaries comprises the individual entities' earnings after full elimination of internal gains and losses.

Conversion of foreign currency

Exchange rate adjustments of receivables from or liabilities to subsidiaries, which are considered part of the parent company's investment in the subsidiary, are recognised in the income statement under financial items. In the consolidated financial statements, value adjustments are recognised in other comprehensive income.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured according to the equity method.

In the balance sheet under the items "investments in subsidiaries", the proportional ownership share of the companies' net asset value is recognised.

The total net revaluation of investments is subsidiaries is transferred through the distribution of profits to "Reserve for net revaluation according to equity method" under equity. The reserve is reduced by dividend payments to the parent company and is adjusted with other changes in equity in subsidiaries.

Subsidiaries with negative net asset value are recognised at USD 0, and a provision to cover the negative balance is recognised if such a present obligation for this purpose exists.

Note 2. Significant accounting estimates, assumptions and uncertainties

For a description of significant accounting estimates, assumptions and uncertainties, see Note 2 of the consolidated financial statements.

Note 3. Revenue

USD '000	**2018**	**2017**
Freight revenue	71.984	73.517
Time charter revenue	9.430	12.487
Other voyage related revenue	9.176	6.711
Revenue	**90.590**	**92.715**

Note 4. Staff costs

USD '000	**2018**	**2017**
Land based employees (included in administrative expenses)		
Wages and salaries	1.418	843
Pensions, defined contribution plans	1	81
Other social security expenses	16	186
Other staff expenses	1	6
	1.436	**1.116**
Seafarers (included in operating expenses)		
Wages and salaries	17.379	14.326
Pensions, defined contribution plans	922	629
Other social security expenses	-	9
	18.300	**14.964**
Total staff costs	**19.736**	**16.080**

Average employees	**2018**	**2017**
Land based employees	17	9
Seafarers	305	255
	322	**264**

USD '000	2018	2017
Board of Directors		
Remuneration to the Board of Directors*	-	99

Persons in the Board of Directors and key management, average	2018	2017
Board of Directors	3	5
CEO and key management personnel*	1	1
	4	**6**

*Information on remuneration for CEO and key management personnel has been committed with reference to Section 98b (3) of the Danish Financial Statements Act.

Note 5. Fees to the auditor appointed at the general meeting

USD '000	2018	2017
Audit	60	42
Tax consultancy	13	13
Other servicess	-	75
Total	**73**	**130**

Note 6. Depreciations, impairments and gains/losses

USD '000	2018	2017
Depreciation of intangible assets, ref. note 10	-	27
Depreciation of tangible assets, ref. note 11	2.901	8.555
Depreciation of assets held for sale 16	-	376
Depreciations	**2.901**	**8.958**
Impairment losses, tangible assets, ref note 11	-	53.994
Impairment losses, assets held for sale, ref note 16	-	32
Impairment losses	-	**54.026**
Gains/losses re. sale of tangible assets, ref. note 11	14	483
Gains/losses	**14**	**483**

Note 7. Share of results in subsidiary companies and joint ventures

USD '000	2018	2017
Share of result in subsidiary companies	-1.677	466
Total	**-1.677**	**466**

Note 8. Financial Income

USD '000	2018	2017
Interst income	66	17
Exchange rate gain	-	766
Debt forgiveness	146.659	-
Financial income	**146.725**	**783**

Note 9. Financial expenses

USD '000	2018	2017
Interest expenses on mortgage debt	1.143	5.516
Other interest expenses	289	1.053
Exchange rate losses	495	700
Other interest expenses	46	83
Financial expenses	**1.973**	**7.352**

Note 10. Taxation

USD '000	2018	2017
Tax on the results for the year	216	98
Adjustments of tax regarding previous years	-	-4
Tax for the year recognized in the income statement	**216**	**94**

The majority of the company's income tax base is located in Denmark, and therefore subject to the Danish tonnage tax scheme. The company has entered the tonnage tax scheme the 1 January 2011, with a binding period of 10 years, and it is the company's expectation to continue to participate in the tonnage tax scheme after the binding period expires, with an equivalent, or higher, activity level as at the time when the company entered the tonnage tax scheme.

The company did not own any vessels upon entering the tonnage tax scheme; consequently, the company has no deferred, or contingent, taxes from the transitional period.

Under the tonnage tax scheme, income and expenses from shipping activities are not subject to direct taxation and accordingly an effective rate reconciliation has not been provided as it would not provide any meaningful information. Instead, the taxable income is calculated from:

- The net tonnage of the vessels used to generate the income from shipping activities
- A rate applicable to the specific net tonnage of the vessel based on a sliding scale

Due to the provisions of the tonnage tax scheme, the effective tax rate of the company is -0.15 % (2017: -0.01%)

No deferred tax assets or liabilities are recognised 31 December 2018. The tax asset of non-recognised tax losses and tax credits carried forward, with certain limitations in subsidiaries and time, amounts to USD 0 (2017: USD 0) for the company. There are no unrecognised tax liabilities associated with investments in foreign subsidiaries and jointly controlled companies.

Note 11. Intangible assets

USD '000	**Software**
Cost at 1 January 2017	1.300
Cost at 31 December 2017	**1.300**
Accumulated depreciations at 1 January 2017	-1.273
Depreciations for the year	-27
Depreciations at 31 December 2017	**-1.300**
Carrying amount at 31 december 2017	**-**
Cost at 1 January 2018	1.300
Disposals during the year	-1.300
Cost at 31 december 2018	**-**
Accumulated depreciations at 1 January 2018	-1.300
Disposals during the year	1.300
Depreciations at 31 december 2018	**-**
Carrying amount at 31 december 2018	-

Note 12. Tangible assets

USD '000	Vessels	Prepayments on vessels and dockings	Total
Cost at 1 January 2017	270.127	-	270.127
Addition during the year	-	664	664
Transfers to/from other items	664	-664	-
Transfers to assets held for sale	-17.595	-	-17.595
Cost at 31 December 2017	**253.196**	**-**	**253.196**
Accumulated depreciations at 1 January 2017	-107.067	-	-107.067
Depreciation for the year	-8.555	-	-8.555
Transfer to assets held for sale	8.715	-	8.715
Depreciations at 31 December 2017	**-106.907**	**-**	**-106.907**
Write - downs at 1 January 2017	-56.267	-	-56.267
Write - downs for the year	-53.994	-	-53.994
Transfer to assets held for sale	3.467	-	3.467
Write - downs at 31 December 2017	**-106.794**	**-**	**-106.794**
Carrying amount at 31 December 2017	**39.495**	**-**	**39.495**

USD '000	Vessels	Prepayments on vessels and dockings	Total
Cost at 1 January 2018	253.196	-	253.196
Additions during the year	-	2.242	2.242
Disposals during the year	-	-	-
Transfer to/from other items	-	-	-
Transfer to assets held for sale	-	-	-
Cost at 31 December 2018	**253.196**	**2.242,21**	**255.438**
Accumulated depreciations at 1 January 2018	-106.907	-	-106.907
Depreciations for the year	-2.901	-	-2.901
Transfer to assets held for sale	-	-	-
Depreciations at 31 December 2018	**-109.808**	**-**	**-109.808**
Write - downs at 1 January 2018	-106.794	-	-106.794
Write - downs for the year	-	-	-
Transfer to assets held for sale	-	-	-
Write - downs at 31 December 2018	**-106.794**	**-**	**-106.794**
Carrying amount at 31 december 2018	**36.594**	**2.242**	**38.836**

According to the Group's accounting policy, a write-down is made to the higher of the sales price (less costs to sell) and the value in use if there is an impairment indication.

As of 31 December 2018, Management assessed if any impairment indication exists for the Group's fleet. The fleet, including vessels chartered on time charter and bareboat charter agreements, is seen as one cash-generating unit (CGU).

Following the assessment, Management has assessed that there is no impairment indication, and hence no further impairment calculation has been performed.

The assessment is based upon the fact that last year, a significant impairment was taken. Given the current market situation, Management assesses that the conditions are similar to prior years supporting the claim that vessel values are yet the same as after the impairment being taken in 2017, however, Management also believes that the likelihood of a somewhat improved market is higher than the likelihood that the market will deteriorate further. Moreover, Management has as a preliminary assessment obtained broker valuations for the fleet in October 2018. This broker valuation indicated that the vessel values are somewhat in line with the broker valuations obtained for the 2017 audit.

Based on the impairment test, Management has concluded that there is not a need to write down the carrying amount of the fleet.

Note 13. Investments in subsidiaries

USD '000	2018	2017
Cost at 1 January 2018	3.428	3.428
Cost at 31 December 2018	**3.428**	**3.428**
Revaluation at 1 January 2018	-1.533	-2.001
Share of result for the year	-1.677	466
Other movements for the year	-	2
Revaluation at 31 december 2018	**-3.210**	**-1.533**
Carrying amount at 31 December 2018	**218**	**1.895**

Company	Nature of investment	2018 Share of result USD'000	2018 Carrying amounts USD'000	2017 Share of result USD'000	2017 Carrying amounts USD'000
Christiania Shipping Asia Pte. Ltd.	100% owned	-1.685	35	438	1.720
Christiania Shipping France SARL	100% owned	8	182	28	174

Christiania Shipping Asia Pte. Ltd. has entered into liquidation on 14 February 2018.

USD'000	Christiania Shipping Asia 2018	Christiania Shipping Asia 2017	Christiania Shipping France 2018	Christiania Shipping France 2017
KEY FIGURES FOR SIGNIFICANT SUBSIDIARY COMPANIES				
Revenue (incl. other income)	-	4.504	-1.074	1.051
Operating profit before depreciation etc. (EBITDA)	-	1.694	-20	-28
Net result	-1.685	438	-8	28
Non-current assets	-	-	5	5
Current assets excl. Cash and cash equivalents	35	333	287	97
Cash and cash equivalents	-	1.925	99	289
Non-current assets liabilities	-	164	-	-
Current liabilities	-	212	209	223

Note 14. Trade receivables

USD '000	2018	2017
Receivables from freight and management services, inkl. accrued income	4.174	5.907
Accrued income	170	-
Provisions for bad debt	-	-38
Trade receivables	**4.344**	**5.869**
Hereof:		
Not due	3.363	4.625
Overdue 1-90 days	526	705
Overdue more than 90 days	455	539
	4.344	**5.869**

A provisioning account is used to reduce the carrying amount of receivables from sales and services whose value is impaired due to loss risk.

Direct provision is made for loss of receivables if the value is impaired, based on an individual assessment of the individual debtors, e.g. by suspension of payments, bankruptcy etc. Write-downs are made at the estimated net realisable value.

Based on historical experience, amounts on the provision account are impaired with 50 % when receivables has been due for six months and fully impaired when receivables has been due for more than twelve months.

Note 15. Other receivables

USD '000	2018	2017
Deposits	696	627
Insurance claims and other claims	770	-
Miscellaneous receivables	354	1.017
Other receivables	**1.820**	**1644**

Note 16. Prepayments

USD '000	2018	2017
Prepayments regarding time charter and bareboat charter agreements	552	635
Insurance prepayments	96	171
Other prepayments to suppliers etc.	240	1.102
Prepayments	**888**	**1.908**

Note 17. Cash and cash equivalents

USD '000	2018	2017
USD	3.902	4.657
EUR	996	517
DKK	118	445
Other currencies	-	221
Cash and cash equivalents	**5.016**	**5.840**
Hereof:		
Unrestricted	5.016	2.464
Restricted	-	3.376
	5.016	**5.840**

Note 18. Assets held for sale

USD '000	2018	2017
Carrying amount at 1 January	5.414	11.403
Transfer from tangible assets for the year	-	5.414
Disposals for the year	-5.414	-10.995
Revaluations for the year	-	-408
Other movements	-	-
Carrying amount at 31 december	**-**	**5.414**

Note 19. Share capital

	2018			2017		
	Number of shares	Nominal value DKK	Share capital DKK	Number of shares	Nominal value DKK	Share capital DKK
Class A shares	1.701	146,78	249.673	1.700	146,78	249.526
Share capital 31 Dec.	**1.701**	**146,78**	**249.673**	**1.700**	**146,78**	**249.526**

The company's share capital was reduced in 2015 with USD 2.788 thousands and increased in 2018 with USD 0.2 thousands.

Note 20. Provisions

USD '000	2018	2017
Provisions for loss-making time-charter contracts	19	34
Provisions	**19**	**34**

Note 21. Loans

USD '000	2018	2017
Current portion of non-current debt with maturities within 1 year	800	194.523
Non-current debt with maturities between 1 and 5 years	38.700	-
Non-current debt with maturities over 5 years	-	-
Total	**39.500**	**194.523**
Hereof:		
Loans denominated in USD with floating interest rate	39.500	194.523
Total	**39.500**	**194.523**

USD '000	31 December 2017	Financing cash flow (i)	Loan raised (ii)	Debt forgiveness (iii)	31 December 2018
Bank loans	182.023	-42.449	44.900	-144.974	39.500
Loans from related parties	12.500	-12.500	-	-	-
Total	194.523	-54.949	44.900	-144.974	39.500

(i) The cash flows from bank loans from related parties and other borrowings make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

(ii) Loan raised in connection with the ANE Shipping AS' acquisition of Christiania Shipping A/S.

(iii) The debt forgiveness was provided to the company in connection with ANE Shipping AS' acquisition of Christiania Shipping A/S.

Note 22. Trade payables

USD '000	2018	2017
Payables for good and services	2.646	1.909
Accrued costs	2.109	5.068
Trade payables	**4.755**	**6.977**

Note 23. Other payables

USD '000	2018	2017
Employees' withheld income taxes, pensions, social contributions etc.	1.668	1.450
Miscellaneous payables	804	6.161
Other payables	**2.471**	**7.611**

Note 24. Changes in working capital

USD '000	2018	2017
Change in inventories	-371	620
Change in trade receivables	-1.525	3.492
Change in other receivables	73	431
Change in prepayments	-1.020	3
Change in trade payables	2.222	-1.286
Change in other payables excl. accrued interest and tax liabilities	5.140	-3.787
Change in working capital excl. accrued interest and tax liabilities	**4.519**	**-527**

Note 25. Operating leases-liabilities

See Note 23 in the consolidated financial statements.

Note 26. Unrecognised contingent assets and liabilities

See Note 24 in the consolidated financial statements.

Note 27. Mortgages and securities

See Note 25 in the consolidated financial statements.

Note 28. Related party disclosures and transactions with related

See Note 27 in the consolidated financial statements.

Note 29. Financial risks

See Note 27 in the consolidated financial statements.

Note 30. Companies in the Group

See Note 28 in the consolidated financial statements.

Note 31. Subsequent events

See Note 29 in the consolidated financial statements.

Statement by the Board of Directors and Executive Management

The Board of Directors and the Executive Management have today considered and approved the consolidated financial statement of Christiania Shipping A/S for the financial year 1 January to 31 December 2018.

The consolidated financial statement is prepared in accordance with International Financial Reporting Standards as approved by the EU and additional requirements stated in the Danish Financial Statements Act. The financial statements of the parent company is prepared in accordance with International Financial Reporting Standards as approved by the EU and additional requirements stated in the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the financial statements of the parent company give a true and fair view of the financial position at the 31 December 2018 of the Group and the parent company's operations and the Groups consolidated cash flow for the financial year 2018.

In our opinion the managements commentary provides a fair review of the development in the operations and financial circumstances of the Group and the parent company, of the results for the year and of the financial position of the Group and the parent company as well as a description of the most significant risks and elements of uncertainty which the Group and the parent company are facing.

We recommend that the annual report be adopted at the annual general meeting.

Hellerup, 29 May 2019

Executive management

Axel Camillo Eitzen
Chief Executive Officer

Board of Directors

Erik Bartnes
Chairman

Erik Nicolai Heidenreich
Board member

Axel Camillo Eitzen
Board member

Independent auditor’s report

To the shareholders of Christiania Shipping A/S

Opinion
We have audited the consolidated financial statements and the parent financial statements of Christiania Shipping A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for the Group as well as the Parent. The consolidated financial statements and the parent financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group’s and the Parent’s financial position at 31.12.2018, and of the results of their operations and cash flows for the financial year 01.01.2018 - 31.12.2018 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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 consolidated financial statements and the parent financial statements* section of this auditor’s report. We are independent of the Group 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.

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group’s and the Parent’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 consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and these parent 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 consolidated financial statements and the parent 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 Group’s and the Parent’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 consolidated financial statements and the parent 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 Group's and the Parent’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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Copenhagen, 29 May 2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Henrik Hjort Kjelgaard
State-Authorised
Public Accountant
MNE no. 29484

Definitions and glossary

Key figures and key ratios are defined and calculated in accordance with the Danish Association of Financial Analyst's "Recommendations and Financial Ratios 2015".

Key ratios	Calculation formula	Comments
TCE-margin (%)	TCE earnings / Revenue	The key figure reflects the percentage of revenue, minus voayge related costs, that cover capacity costs, net financing costs, taxes and profit.
EBITDA-margin (%)	EBITDA / Revenue	The key figure reflects the entity's operational profitability
EBIT-margin (%)	EBIT / Revenue	The key figure reflects the entity's true business costs.
Return on Invested Capital (%)	EBITA / Avg. invested capital	The Key figure reflects the entity's ability to generate return on invested capital through operations.
Return on Equity (%)	Result of the year / Avg. equity	The key figure reflects an entity's ability to generate returns to shareholders when taking into account the entity's capital base.
Equity ratio	Net interest-bearing debt / Equity	The key figure reflects the financial gearing of the entity, expressed as the sensitivity to fluctuations in interest rates, etc. A high financial gearing translates into a high financial risk.

Glossary

B

Ballast Amount of unpaid cargo carried in order to provide sufficient weight to keep a vessel stable.

Ballast leg Voyage with no cargo on board, to position a ship for the next load port or dry-docking.

Ballast tank Tank that can be filled with ballast, to provide stability for the vessel.

Bareboat-charter (BB) An arrangement involving the hiring of a vessel, under which the party that hires the vessel covers crew costs and all other operating expenses, including docking and maintenance, in addition to all voyage-related costs. On its return, the ship shall be in the same condition as when delivered, normal wear and tear expected.

Broker An intermediary in the process of negotiating freight contracts between owners and charterers, the sale and purchase of ships and similar transactions.

Bunker Engine fuel, to power a vessel.

C

Charter party (C/P) Agreement between a ship owner and a charterer, outlining terms and conditions governing the trans-action. The agreement may be for one or several voyages, or for a certain period.

Charterer The party hiring and paying for vessels or vessel space. This may be the cargo owner, an intermediary or the receiver of the cargo.

Chemical tank Transport of Organic products, inorganic products, Vegetable oils and others.

CO_2 Carbon dioxide.

COA (Contract of Affreightment) Agreement to transport cargo for a predetermined period - 3 months, 5 years, 10 years etc. - and at a predetermined price per ton.

Coating Paint protecting the inside of a vessel's tanks. Usually epoxy- or zinc-based paints.

Commercial management Agreement to operate a vessel on the account and risk of the ship-owner.

CSR (Corporate Social Responsibility) Companies' responsible business practices.

D

Deep-sea trade Sea-borne trade along intercontinental trade routes.

Demurrage Compensation paid by the charterer, supplier or receiver of the cargo for time spent during port call in excess of the lay-time stipulated in the Charter Party for loading/discharging operations.

Dry-dock Putting a vessel into dry—dock for inspection and repairs of underwater parts, and painting of the vessel bottom. Usually carried out every 2½th or 5th year.

E

EBIT Earnings before Interest and Tax.

EBITA Earnings before Interest, Tax and Amortisation

EBITDA Earnings before Interest, Tax, Depreciations and Amortisation

I

IAS International Accounting Standards.

IFRS International Financial Reporting Standards.

IMO International Maritime Organisation - Shipping organisation under the UN.

IMOS Shipping system that supports chartering, operations and accounting related functions for the Group's fleet of chemical tanker vessels.

Inorganic chemicals Chemicals with molecular structure containing no carbon atoms (other than as part of a carbonate group) and which are derived from sources other than hydrocarbons, such as sulphuric acid, phosphoric acid and caustic soda.

L **LIBOR** London Interbank Offered Rate. The average of interest rates estimated by each of the leading banks in London that it would be charged were it to borrow from other banks.

Long-Term charter Agreement to charter a vessel for more than 13 months.

LTIF (Lost time injury frequency) Number of work-related injuries that make employees unable to work the next workday times one million divided by total number of working hours.

M **MACN** Maritime Anti-Corruption Network.

N **Net Asset Value (NAV)** Booked equity adjusted for the market value of the fleet.

O **OECD** Organisation for Economic Co-operation and Development.

Off hire The time a vessel is prevented from being gainfully employed for its owner or charterer, e.g. time used for repairs.

On hire The time a vessel is gainfully employed for its owner or charterer, e.g. time used on voyages.

Operating expenses Expenses for crew as well as all other expenses directly connected with the running of the ship, including maintenance and insurance.

Organic chemicals Chemicals containing carbon-based molecules. Often referred to as petrochemicals when derived from hydrocarbon sources such as oil, gas and coal.

P **Petrochemicals** See organic chemicals.

Pool Group of vessels with different owners but commercially operated together.

Purchase option A right, but not obligation, to purchase a vessel at an agreed price.

R **RoE** Return on Equity.

RoIC Return on Invested Capital.

S **Segregation** Division of a vessel's cargo space to allow different cargoes being kept completely segregated during the entire voyage, including during loading and unloading.

Short-sea trade Sea-borne trade within a particular trading area (i.e. not intercontinental).

Short-term charter Agreement to charter a vessel for less than 13 months.

Solvents Liquids that can dissolve other substances.

SOx The Sulphur oxides SO and SO_2.

Spot Market Day-to-day market for cargo contracts.

Spot rate Cargo freight rate not governed by a contract of Affreightment, usually based on the current market level.

T **Time-charter (T/C)** Lease of a vessel whereby the vessel is hired for a short or long period.

TCE (time-charter earnings) Gross freight revenues minus voyage costs divided by number of trading days usually expressed in USD per day.

Technical management Agreement to manage a vessel's technical operations and crew at the account and risk of the ship-owner.

Tonne Gross registered tonne is a volume of 100 cubic feet (2,83 cubic meters). Gross registered tonnage is the volume of the vessels closed areas, excluding the bridge, the galley and a few other areas. Net registered tonnage is the gross tonnage less volumes needed for the operation of the vessel (deck, storage room, engine room etc.), i.e. the volume available for cargo.

Tonne-mile A measure of demand for capacity. Calculated as the freight amount times the transport distance in nautical miles.

Trade Geographical area where a vessel mainly trades.

Trading days Days a ship is not off-hire.

Triton Triton Managers III Limited, Triton III Funds, Triton III F&F Limited and Triton III F&F Funds.

U **UN Global Compact** The UN's corporate sustainability initiative.

USDA United States Department of Agriculture

V **Vessel days** Total number of days with available vessel capacity.

Vetting Collective term for the many kinds of inspections of chemical tankers – including SIRE inspections – which the oil companies carry out themselves or demand to have carried out.

Voyage charter Agreement for the transportation of cargo from the port(s) of loading to the port(s) of unloading. Payment is normally per tonne of cargo, and the ship owner pays for bunkers, port and canal charges and other voyage-related costs.

Voyage expenses Expenses directly relating to the voyage, such as bunkers, port charges, canal dues, etc.

Company information

Christiania Shipping A/S

Amerika Plads 38

2100 København Ø

Registration no. 40 53 35 16

www.Christiania-shipping.com

Group structure

Please refer to note 30 in the consolidated financial statement.

Board of Directors and management

BOARD OF DIRECTORS – Christiania Shipping A/S.

- Erik Bartnes
  Board member since January 2018, Chairman since January 2018
- Erik Nicolai Heidenreich
  Board member since January 2018
- Axel Camillo Eitzen
  Board member since January 2018

KEY MANAGEMENT PERSONEL

- Axel Camillo Eitzen – Chief Executive Officer
  Employed January 2018