

EMF Tankers XXI ApS

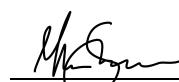
Kongens Nytorv 22, 1050 København K

Company reg. no. 40 98 75 25

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 15 June 2021.



Mads Sørensen
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's report

Today, the executive board has presented the annual report of EMF Tankers XXI ApS for the financial year 1 January - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

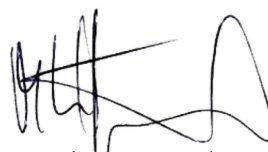
We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 15 June 2021

Executive board


Mads Sørensen


Martin Haugaard

Independent auditor's report

To the shareholders of EMF Tankers XXI ApS

Opinion

We have audited the financial statements of EMF Tankers XXI ApS for the financial year 1 January - 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

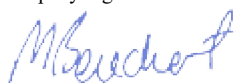
Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 15 June 2021

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36



Michael Beuchert

State Authorised Public Accountant
mne32794

Company information

The company

EMF Tankers XXI ApS
Kongens Nytorv 22
1050 København K

Company reg. no. 40 98 75 25
Financial year: 1 January - 31 December

Executive board

Mads Sørensen
Martin Haugaard

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Bankers

Spar Nord A/S

Parent company

Martin Haugaard Holding ApS

Management commentary

The principal activities of the company

The company's purpose is to invest directly and indirectly, as well as carrying on other activities that are naturally related to shipping.

Development in activities and financial matters

The gross loss for the year totals TDKK -4.610. Income or loss from ordinary activities after tax totals TDKK 1.413. Management considers the net profit or loss for the year acceptable.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have a material impact on the financial position of the company.

Accounting policies

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

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Income statement

Gross loss

Gross loss comprises external costs.

Other external costs comprise costs for administration.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from equity investments in group enterprises

Dividend from equity investments in group enterprises is recognised in the financial year in which the dividend is declared.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investments

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Liabilities other than provisions

Liabilities other than provisions relating to investment properties are measured at amortised cost which usually corresponds to the nominal value.

Income statement

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

<u>Note</u>	<u>1/1 - 31/12 2020</u>	<u>5/12 - 31/12 2019</u>
Gross loss	-4.610.070	-10
Income from equity investments in group enterprises	6.698.769	0
Other financial income	18.917	0
Other financial costs	-694.790	0
Pre-tax net profit or loss	1.412.826	-10
Tax on net profit or loss for the year	0	0
Net profit or loss for the year	1.412.826	-10
Proposed appropriation of net profit:		
Transferred to retained earnings	1.412.826	0
Allocated from retained earnings	0	-10
Total allocations and transfers	1.412.826	-10

Statement of financial position at 31 December

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Non-current assets		
Equity investments in group enterprises	48.282.336	0
Total investments	48.282.336	0
Total non-current assets	48.282.336	0
Current assets		
Other receivables	0	40
Total receivables	0	40
Cash on hand and demand deposits	2.267.923	0
Total current assets	2.267.923	40
Total assets	50.550.259	40

Statement of financial position at 31 December

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

Equity and liabilities			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Equity			
	Contributed capital	49.147.433	40
	Results brought forward	1.402.826	-10
	Total equity	50.550.259	30
Liabilities other than provisions			
	Other debts	0	10
	Total short term liabilities other than provisions	0	10
	Total liabilities other than provisions	0	10
	Total equity and liabilities	50.550.259	40

1 Charges and security**2 Contingencies**

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	40.000	-10.000	30.000
Cash capital increase	55.836.411	0	55.836.411
Profit or loss for the year brought forward	0	1.412.826	1.412.826
Cash capital reduction	-6.728.978	0	-6.728.978
	49.147.433	1.402.826	50.550.259

Notes

Amounts concerning 2020: DKK.

Amounts concerning 2019: DKK thousand.

1. Charges and security

The company has no mortgage and securities as of 31 December 2020.

2. Contingencies

Contingent liabilities

The company has no contingent liabilities as of 31 December 2020.

Joint taxation

With Martin Haugaard Holding ApS, company reg. no 38 75 17 51 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.