



Lightship Chartering A/S

Tuborg Havnevej 15, st.
2900 Hellerup
CVR No. 89990114

Annual report 2019

The Annual General Meeting adopted the
annual report on 28.05.2020

Sune Fladberg

Chairman of the General Meeting

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Entity details

Entity

Lightship Chartering A/S

Tuborg Havnevej 15, st.

2900 Hellerup

CVR No.: 89990114

Date of foundation: 02.04.1982

Registered office: Gentofte

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Morten Have, Chairman

Kasper Bøgelund Olsen

Giovanni Garufi

Executive Board

Kasper Bøgelund Olsen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Lightship Chartering A/S for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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

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

Hellerup, 28.05.2020

Executive Board

Kasper Bøgelund Olsen
CEO

Board of Directors

Morten Have
Chairman

Kasper Bøgelund Olsen

Giovanni Garufi

Independent auditor's extended review report

To the shareholders of Lightship Chartering A/S

Conclusion

We have performed an extended review of the financial statements of Lightship Chartering A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review 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 financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 28.05.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Thomas Frommelt Hertz

State Authorised Public Accountant
Identification No (MNE) mne31543

Management commentary

Primary activities

Lightship Chartering A/S' activity is to carry on shipping business as chartering broker and other shipping related activities.

Development in activities and finances

Lightship Chartering A/S has incurred a profit of DKK 3.045k for the year.

The Management notes with satisfaction a significant increase in result from DKK 735 last year, which is in line with the group's overall performance in 2019.

Outlook

Management expects the Lightship Group to continue the positive development during 2020, to expand further both within present offices but also by establishing new offices and entering into new segments.

For Lightship A/S we note a solid increase in Q1 2020 year on year both in terms of fixtures and commission earned despite tumultuous times.

Particular risks

Lightship Chartering is exposed to the general developments in the dry bulk shipping market as well as our customers' activity level. The corona crisis is adding uncertainty to the market, but given the company's current cadence, view above commentary, we have yet to see an actual impact on the group's activities. If the crisis leaves global recession in its trail it can make an impact on industrial activity, thus affecting transportation of raw material, we do believe, however, that given the global governmental focus and swift stimuli already seen, society is much more capable of avoiding deep financial impact today.

The exposure to receivables in foreign currencies – mainly USD and CHF – is considered to be the main financial risk affecting the Entity.

Events after the balance sheet date

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

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		11,044,807	7,161,873
Staff costs	1	(7,824,195)	(6,227,554)
Depreciation, amortisation and impairment losses	2	(189,758)	(185,786)
Operating profit/loss		3,030,854	748,533
Other financial income	3	92,528	124,775
Other financial expenses	4	(78,027)	(138,674)
Profit/loss before tax		3,045,355	734,634
Tax on profit/loss for the year	5	(324)	35
Profit/loss for the year		3,045,031	734,669
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		3,045,031	734,669
Proposed distribution of profit and loss		3,045,031	734,669

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Other fixtures and fittings, tools and equipment		311,844	501,600
Property, plant and equipment	6	311,844	501,600
Other investments		174,750	193,875
Deposits		313,865	304,750
Other financial assets		488,615	498,625
Fixed assets		800,459	1,000,225
Trade receivables		4,292,790	2,634,350
Receivables from group enterprises		4,380,340	775,550
Other receivables		59,282	52,745
Income tax receivable		0	48,110
Prepayments		522,935	505,604
Receivables		9,255,347	4,016,359
Cash		1,726,628	3,298,177
Current assets		10,981,975	7,314,536
Assets		11,782,434	8,314,761

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		1,000,000	1,000,000
Retained earnings		4,439,444	4,439,448
Proposed dividend		3,045,031	734,669
Equity		8,484,475	6,174,117
Other payables		237,748	0
Non-current liabilities other than provisions	7	237,748	0
Trade payables		272,109	251,587
Payables to group enterprises		48,641	0
Other payables		2,739,461	1,889,057
Current liabilities other than provisions		3,060,211	2,140,644
Liabilities other than provisions		3,297,959	2,140,644
Equity and liabilities		11,782,434	8,314,761
Contingent liabilities	8		

Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	1,000,000	4,439,444	734,669	6,174,113
Ordinary dividend paid	0	0	(734,669)	(734,669)
Profit/loss for the year	0	0	3,045,031	3,045,031
Equity end of year	1,000,000	4,439,444	3,045,031	8,484,475

Notes

1 Staff costs

	2019	2018
	DKK	DKK
Wages and salaries	7,292,154	5,770,612
Pension costs	357,570	300,848
Other social security costs	96,994	89,326
Other staff costs	77,477	66,768
	7,824,195	6,227,554
Average number of full-time employees	13	11

2 Depreciation, amortisation and impairment losses

	2019	2018
	DKK	DKK
Depreciation of property, plant and equipment	189,758	185,786
	189,758	185,786

3 Other financial income

	2019	2018
	DKK	DKK
Financial income from group enterprises	0	14,604
Other interest income	36,889	25,559
Exchange rate adjustments	55,639	84,612
	92,528	124,775

4 Other financial expenses

	2019	2018
	DKK	DKK
Financial expenses from group enterprises	0	17,884
Other interest expenses	4,267	2,290
Exchange rate adjustments	54,635	0
Fair value adjustments	19,125	118,500
	78,027	138,674

5 Tax on profit/loss for the year

	2019	2018
	DKK	DKK
Adjustment concerning previous years	324	(35)
	324	(35)

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	1,219,957
Cost end of year	1,219,957
Depreciation and impairment losses beginning of year	(718,355)
Depreciation for the year	(189,758)
Depreciation and impairment losses end of year	(908,113)
Carrying amount end of year	311,844

7 Non-current liabilities other than provisions

	Due after more than 12 months 2019 DKK
Other payables	237,748
	237,748

8 Contingent liabilities

	2019	2018
	DKK	DKK
Other contingent liabilities	1,823,052	2,430,736
Contingent liabilities	1,823,052	2,430,736

Accounting policies

Reporting class

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

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

Recognition and measurement

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

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

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

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

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

Foreign currency translation

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

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are classified directly as equity.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue (commission income) for charters and time charter agreements is recognized in the income statement when an agreed contract (clean recap) is approved by the owner of the vessel and the charterer. In case of cancellation of the agreed contract (clean recap) after closing date, a credit note would be issued to cancel the commission income and recognized in the income statement the same year the commission was recorded.

Other external expenses

Other external expenses for premises, sales and distribution as well as office expenses, etc.

Staff costs

Staff costs comprise salaries and wages as well as payroll expenses.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

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

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

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

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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

Other investments

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date and unlisted equity investments measured at cost. Unlisted equity investments are written down to any lower net realisable value.

Receivables

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

Income tax payable or receivable

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Dividend

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

Other financial liabilities

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