

Hafnia Tankers ApS

Annual Report 2022

CVR-No. 33 08 22 31

Company Address:
Hans Bekkevolds Alle 7
2900 Hellerup, Denmark

For the consideration of Erhvervsstyrelsen

The Annual Report was presented and approved at the Annual General Meeting held on 6 July, 2023.

Chairman

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Statement by Management on the Annual Report

The Board of Directors have today on 6 July, 2023, discussed and approved the annual report for the financial year 1 January - 31 December, 2022 for Hafnia Tankers ApS.

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

It is our opinion that the annual report presents fairly, in all material respects, the financial position of the company as of 31 December, 2022 and of the results of the company's operations for the financial year 1 January - 31 December, 2022.

Moreover, we believe that the management review contains a fair review of the affairs and conditions addressed in the company.

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

Hellerup, 6 July, 2023

Executive Management:

Jørgen Thuesen

Board of Directors:

Jørgen Thuesen
(Chairman)

Mia Kroglund Jørgensen

Independent Auditor's Report

To the shareholders of Hafnia Tankers ApS

Opinion

We have audited the financial statements of Hafnia Tankers ApS for the financial year 1 January – 31 December 2022, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists.

Misstatements may 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 financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the company 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
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 6 July 2023

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Klaus Rytz
State Authorised
Public Accountant
mne33205

Ilhan Dogan
State Authorised
Public Accountant
mne47842

Management Review

Company Details

Hafnia Tankers ApS
Hans Bekkevolds Alle 7
2900 Hellerup, Denmark

Phone: +45 33 69 90 80
E-mail: cn@hafniabw.com

Central Bussiness Registration No.: 33 08 22 31
Founded: August 24, 2010
Registered Municipality: Gentofte
Financial Year: 1 January - 31 December

Board of Directors
Jørgen Thuesen
Mia Kroglund Jørgensen

Executive Management
Jørgen Thuesen

Company Auditors
KPMG P/S
Dampfærgevej 28
2100 København Ø

Management Review

Review

Primary activities and major developments

The primary activities of the company pertain to commercial operations within the product tanker market.

The Company's result for 2022 presents a profit of USD 840 thousand, which is in line with expectation stated in the annual report for 2021, in which the result was predicted to be in line with that of 2021, loss of USD 3,783 thousand, with the exception of effect from special items.

The company expects the result for 2023 to be in line with 2022.

Subsequent events

There have been no significant events after the balance sheet date.

Annual Report: 1 January - 31 December

Income Statement

| | Note | For the years ended December 31 | |
|---------------------------------|------|------------------------------------|----------------------|
| | | 2022 | 2021 |
| | | (in thousands of U.S. dollars) | |
| Revenue | | 1.888 | 885 |
| Depreciation and impairment | | - | -374 |
| Loss on disposals | | - | -1.720 |
| Other external costs | | -192 | -204 |
| Gross profit/(loss) | | <u>1.696</u> | <u>-1.413</u> |
| Staff costs | 1 | <u>-1.000</u> | <u>-909</u> |
| Operating profit/(loss) | | <u>696</u> | <u>-2.322</u> |
| Dividends received | | 307 | - |
| Financial income | | 77 | 8 |
| Financial expenses | | -44 | -36 |
| Profit/(loss) before tax | | <u>1.036</u> | <u>-2.350</u> |
| Taxes | 2 | <u>-196</u> | <u>-1.433</u> |
| Profit/(loss) for the year | | <u><u>840</u></u> | <u><u>-3.783</u></u> |
| Proposed distribution of profit | | | |
| Proposed dividend | | - | - |
| Retained earnings | | <u>840</u> | <u>-3.783</u> |
| | | <u><u>840</u></u> | <u><u>-3.783</u></u> |

Annual Report: 1 January - 31 December

Balance Sheet

| | Note | As of December 31 | |
|------------------------------------|------|-------------------|--------|
| | | 2022 | 2021 |
| <u>ASSETS</u> | | | |
| (in thousands of U.S. dollars) | | | |
| FIXED ASSETS | | | |
| Financial assets | | | |
| Deferred tax | 3 | - | 36 |
| Total financial assets | | - | 36 |
| Total fixed assets | | - | 36 |
| CURRENT ASSETS | | | |
| Receivables | | | |
| Trade receivables | | - | 124 |
| Receivables from group enterprises | | 14.821 | 12.689 |
| Other receivables | | - | 1.761 |
| Total receivables | | 14.821 | 14.574 |
| Cash | | 4.430 | 3.728 |
| Total current assets | | 19.251 | 18.302 |
| TOTAL ASSETS | | 19.251 | 18.338 |

| | Note | As of December 31 | |
|--------------------------------|------|-------------------|--------|
| | | 2022 | 2021 |
| <u>LIABILITIES AND EQUITY</u> | | | |
| (in thousands of U.S. dollars) | | | |
| EQUITY | | | |
| Contributed capital | | 6 | 6 |
| Retained earnings | | 18.636 | 17.796 |
| Total equity | 4 | 18.642 | 17.802 |
| LIABILITIES | | | |
| Short-term liabilities | | | |
| Trade payables | | - | 62 |
| Other payables | | 609 | 474 |
| Total short-term liabilities | | 609 | 536 |
| Total liabilities | | 609 | 536 |
| TOTAL LIABILITIES AND EQUITY | | 19.251 | 18.338 |

Related parties 5

Annual Report: 1 January - 31 December

Notes

Accounting Policies

The annual report for Hafnia Tankers ApS for 2022 is presented in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B enterprises with opting in from higher reporting classes.

Basis of accounting

Assets are recognized on the balance sheet once the inflow of economic benefit to the entity is probable, and when the value of the asset can be measured reliably.

Liabilities are recognized on the balance sheet once the outflow of resources embodying economic benefits from the entity is probable, and when the value of the obligation can be measured reliably.

Assets and liabilities are measured at cost upon initial recognition. Subsequent to initial recognition, assets and liabilities are measured as described respectively below.

Certain financial assets and liabilities are measured at amortized cost, by which a constant internal rate of return is applied over the respective duration. Amortized costs are calculated as initial cost less accumulated amortization.

On recognition and measurement of assets and liabilities, all relevant matters are taken into consideration, including foreseeable risks and losses, arising before the time at which the annual report is prepared and proving or disproving matters arising on or before the balance sheet date.

Income is recognised in the income statement as earned. This includes value adjustments made to financial assets and liabilities which are measured at fair value or amortized cost. Moreover, all expenses are recognized which are incurred to generate the stated income for the year. This includes depreciation, amortisation, impairment losses, downward adjustments and provisions for liabilities and reversals of amounts previously recognised in the income statement as a result of changed accounting estimates.

Transactions in foreign currency

The annual report is denominated in USD as this represents the primary currency of the international shipping sector. As of 31 December, 2022, the exchange rate was DKK 6.9722 per USD (DKK 6.2918 per USD as of 31 December, 2021).

Foreign currency transactions are translated into the functional currency at the exchange rate of the date when initially recognized. Gains and losses arising between the exchange rate of the transaction date and that of the settlement date are recognized in the income statement under financial income or financial expense.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates then prevailing. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognized in the statement of profit or loss under financial income or financial expense.

Income Statement

Management revenue

Management revenue is recognized in the income statement as the relevant services are supplied and once the amount can be measured reliably, in the period in which the amount is expected to be received.

Depreciation

The basis of depreciation is calculated as the excess of cost over the estimated residual value, allocated on a straight-line basis over the estimated useful life of vessels and their dry dock component.

Other external costs

Other external costs includes administrative expenses, office rental, etc.

Staff costs

Staff costs covers wages, salaries, pensions as well as other social security costs pertaining to the Company's employees.

Dividends received

Dividends received, stemming from subsidiaries and associates, are recognized in the period in which such dividends are declared.

Financial income and expenses

Financial income and expenses include interest expenses as well as exchange gains and losses arising from transactions in foreign currencies.

Taxes

Taxes constitute tonnage taxes for the year and deferred taxes, which are recognized in the income statement according to the portion which can be attributed to the result for the year and in shareholders' equity according to the portion which can be directly attributed to changes in shareholders' equity.

Balance Sheet

Receivables

Accounts receivable are measured at the lower of amortized cost and net realizable value.

Deferred tax

Deferred taxes, including tax losses that have been carried forward as deductions in future earnings, are recognized according to the value that the deferred tax asset is estimated yield, either as a net tax asset or through a lowering of tax payables.

Short-term liabilities

Liabilities, including trade payables and other payable, are generally measured at amortized cost.

Annual Report: 1 January - 31 December

Notes

1 Staff costs

| | <u>2022</u> | <u>2021</u> |
|--------------------------------------|---------------|-------------|
| Wages and salaries..... | -922 | -833 |
| Pensions..... | -70 | -73 |
| Other social security costs..... | -8 | -3 |
| | <u>-1.000</u> | <u>-909</u> |
| Average number of employees..... | 7 | 8 |

2 Taxes

| | <u>2022</u> | <u>2021</u> |
|--|-------------|---------------|
| Adjustment of tax concerning previous years..... | - | -1.433 |
| Corporate income tax..... | -160 | |
| Change in deferred tax..... | -36 | - |
| | <u>-196</u> | <u>-1.433</u> |

3 Deferred tax

| | <u>2022</u> | <u>2021</u> |
|--------------------------------------|-------------|-------------|
| Balance as of January 1, 2022..... | 36 | 36 |
| Disposals..... | -36 | - |
| Balance as of December 31, 2022..... | <u>-</u> | <u>36</u> |

4 Equity

| | <u>Share capital</u> | <u>Retained Earnings</u> | <u>Proposed Dividends</u> | <u>Total</u> |
|------------------------------------|--------------------------|--------------------------------|-------------------------------|---------------|
| | | (in thousands of U.S. dollars) | | |
| Balance as of January 1, 2022..... | 6 | 17.796 | - | 17.802 |
| Profit for the year..... | - | 840 | - | 840 |
| Balance as of December 31, 2022.. | <u>6</u> | <u>18.636</u> | <u>-</u> | <u>18.642</u> |

5 Related parties

The following shareholder is registered as owning a minimum of 5% of voting rights or a minimum of 5% of share capital:

Hafnia Tankers Singapore Sub-Holding Pte. Ltd.
 10 Pasir Panjang Road #18- 01
 Mapletree Business City
 Singapore 117438