



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 883 675 002
Organisasjonsform: Norskreg. utenlandsk foretak
Foretaksnavn: ODFJELL CHEMICAL TANKERS LTD
Forretningsadresse: v/ Odfjell ASA
Conrad Mohrs veg 29
5072 BERGEN

Regnskapsår

Årsregnskapets periode: 01.01.2018 - 31.12.2018

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Terje Iversen
Dato for fastsettelse av årsregnskapet: 30.06.2019

Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 02.09.2020



Resultatregnskap

Beløp i: USD	Note	2018	2017
RESULTATREGNSKAP			
Kostnader			
Administration expenses	7	416 955	28 636
Sum kostnader		416 955	28 636
Driftsresultat		-416 955	-28 636
Finansinntekter og finanskostnader			
Annen renteinntekt		360 846	315 902
Currency gain/loss		20 210	-36
Sum finansinntekter		381 056	315 866
Nedskrivning av finansielle eiendeler	2	116 400 000	5 000 000
Annen finanskostnad		6	
Sum finanskostnader		116 400 006	5 000 000
Netto finans		-116 018 950	-4 684 134
Ordinært resultat før skattekostnad		-116 435 905	-4 712 770
Skattekostnad på ordinært resultat		55 658	867
Ordinært resultat etter skattekostnad		-116 491 563	-4 713 637
Årsresultat		-116 491 563	-4 713 637
Overføringer og disponeringer			
Udekket tap		-116 491 563	-4 713 637
Sum overføringer og disponeringer		-116 491 563	-4 713 637



Balanse

Beløp i: USD	Note	2018	2017
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	2	319 850 000	436 250 000
Lån til foretak i samme konsern	3	6 047 923	6 452 956
Sum finansielle anleggsmidler		325 897 923	442 702 956
Sum anleggsmidler		325 897 923	442 702 956
Omløpsmidler			
Varer			
Fordringer			
Pre paid expenses		53 351	26 063
Sum fordringer		53 351	26 063
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		396 049	419 293
Sum bankinnskudd, kontanter og lignende		396 049	419 293
Sum omløpsmidler		449 400	445 356
SUM EIENDELER		326 347 323	443 148 312
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	5,6	441 262 000	441 262 000
Overkurs	5	2 953 608	2 953 608
Sum innskutt egenkapital		444 215 608	444 215 608
Opptjent egenkapital			



Balanse

Beløp i: USD	Note	2018	2017
Udekket tap	5	118 558 466	2 066 904
Sum opptjent egenkapital		-118 558 466	-2 066 904
Sum egenkapital		325 657 142	442 148 704
Gjeld			
Langsiktig gjeld			
Utsatt skatt	4	268 281	232 923
Sum avsetninger for forpliktelser		268 281	232 923
Annen langsiktig gjeld			
Sum langsiktig gjeld		268 281	232 923
Kortsiktig gjeld			
Kortsiktig konserngjeld	3	414 217	759 292
Annen kortsiktig gjeld		7 683	7 393
Sum kortsiktig gjeld		421 900	766 685
Sum gjeld		690 181	999 608
SUM EGENKAPITAL OG GJELD		326 347 323	443 148 312



Skatteetaten

Vår dato
20.03.2019

Din/Deres dato
03.01.2019

Saksbehandler
Henning Stokke

800 80 000
Skatteetaten.no

Din/Deres referanse
Lars Førde

Telefon
800 80 800

Org.nr
974761076

Vår referanse
2019/5218693

Postadresse
Postboks 9200 Grønland
0134 OSLO

ODFJELL SE
Postboks 6101
5892 BERGEN

Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk for Odfjell Chemical Tankers Ltd, org.nr. 883 675 002

Vi viser til deres brev av 3. januar 2019 og 29. oktober 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Odfjell Chemical Tankers Ltd.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Odfjell Chemical Tankers Ltd dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknad av 3. januar 2019 gjengis:

Det vises til samme argumentasjon som søknad sendt 29. oktober 2018. Ovennevnte selskap er et datterselskap av børsnoterte Odfjell SE og er en del av konsernet Odfjell.

Fra søknad av 29. oktober 2018 gjengis:

Odfjell er et internasjonalt shipping selskap med global virksomhet og selskapets arbeidsspråk er engelsk. Dette innebærer at all intern og ekstern skriftlig kommunikasjon inkl. pressemeldinger, foregår på engelsk. Også all informasjon som legges til selskapets intranett og hjemmeside gies på engelsk. Styret i Odfjell SE er internasjonalt, og alle styrepapirer og øvrig dokumentasjon produseres derfor kun på engelsk. Brukere av regnskapet for noen av ovennevnte selskaper er i mange tilfeller utenlandske kreditorer og forretningspartnere.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."



I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er datterselskap av konsernet Odfjell. Eierkretsen er begrenset. Morselskapet har tillatelse til å benytte engelsk språk. I tillegg er selskapets virksomhet utpreget internasjonal, hvor arbeidsspråket er engelsk. Alle sentrale aktører i bransjen behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Juridisk avdeling
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



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Statsautoriserte revisorer
Ernst & Young AS

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Odfjell Chemical Tankers Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Odfjell Chemical Tankers Ltd, which comprise the balance sheet as at 31 December 2018, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2018 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards 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 ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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.

Other information

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors (management) are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, 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 other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an



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audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, 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 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Independent auditor's report - Odjell Chemical Tankers Ltd

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A member firm of Ernst & Young Global Limited



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Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption, and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Bergen, 30 June 2019
ERNST & YOUNG AS

Jørn Knutsen
State Authorised Public Accountant (Norway)

Independent auditor's report - Odfjell Chemical Tankers Ltd

* member firm of Ernst & Young Global Limited
* member firm of Ernst & Young Global Limited



ODFJELL CHEMICAL TANKERS LTD.

The Directors' Report for year 2018

Operations and locations

The business area for the company is to own and operate vessels or companies with such activities.

The company is located at Bermuda.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. The Board believes that the proposed accounting provides a comprehensive picture of company performance and financial position.

Comments related to the financial statements

Net result after tax was negative USD 116.5 mill for 2018, compared to negative USD 4.7mill in 2017. Both years highly influenced by impairment of shares.

The company is managed from Norway and is subject for Norwegian tax.

Financial risk

The company is not exposed to financial risk other than impairment/loss on investment.

Staff, discrimination and environment reports

The company has no employees. The Board of Directors consist of two members, both men. The Board of Directors have through an assessment not found it necessary to do further efforts to promote gender equality.

Research and development activities

The company has currently no ongoing research or development activities.

Environmental report

There was no spill or leakage on any of the vessels with negative environmental effect.

Allocation of net result

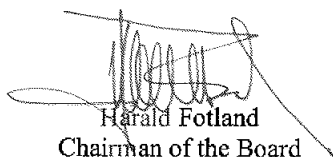
The Board of Directors has proposed the net result for Odfjell Chemical Tankers Ltd to be allocated as follows:

Net result	(USD 116 491 562)
Net result allocated to uncovered loss	(USD 116 491 562)



Bergen, 30/6 2019

The Board of Directors of Odfjell Chemical Tankers Ltd



Harald Fotland
Chairman of the Board



Tette Iversen
Member of the Board



ODFJELL CHEMICAL TANKERS LTD.

(Figures in USD)

RESULT	NOTE	2018	2017
Operating income (expenses):			
Administration expenses	7	(416,955)	(28,636)
Operating result		(416,955)	(28,636)
Finance income (expenses):			
Interest income		360,846	315,902
Impairment shares	2	(116,400,000)	(5,000,000)
Other financial income (expenses)		(6)	-
Currency gain (loss)		20,210	(36)
Net finance items		(116,018,949)	(4,684,134)
Result before taxes		(116,435,904)	(4,712,769)
Taxes payable	4	-	(181,534)
Changes in deferred taxes	4	(55,658)	180,667
Total taxes		(55,658)	(867)
Net result		(116,491,562)	(4,713,637)



ODFJELL CHEMICAL TANKERS LTD.

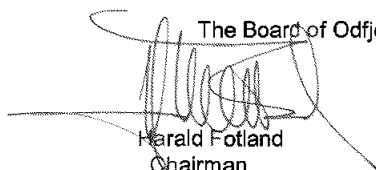
(Figures in USD)

STATEMENT OF FINANCIAL POSITION	Note	2018	2017
ASSETS:			
Non-current assets			
Shares in subsidiaries	2	319,850,000	436,250,000
Loan to companies in the same Group	3	6,047,923	6,452,956
Total non-current assets		325,897,923	442,702,956
Current assets:			
Pre paid expenses		53,351	26,063
Cash and cash equivalents		396,049	419,293
Total current assets		449,400	445,356
Total assets		326,347,323	443,148,312

LIABILITIES AND EQUITY:			
Sharecapital	5,6	441,262,000	441,262,000
Share premium	5	2,953,608	2,953,608
Total paid in equity		444,215,608	444,215,608
Uncovered loss	5	(118,558,466)	(2,066,904)
Total equity		325,657,142	442,148,704
Non-current liabilities			
Deferred tax liabilities	4	268,281	232,923
Total non-current liabilities		268,281	232,923
Current liabilities			
Debt to company in the same Group	3	414,217	759,292
Other current liabilities		7,683	7,393
Total current liabilities		421,900	766,685
Total liabilities		690,181	999,608
Total equity and liabilities		326,347,323	443,148,312

Bergen, 30/6 2019

The Board of Odfjell Chemical Tankers Ltd.



Harald Fotland
Chairman



Terje Iversen
Boardmember



ODFJELL CHEMICAL TANKERS LTD.

CASH FLOW STATEMENT
(USD)

Cash flow operating activities:	2018	2017
Result before taxes	(116,435,904)	(4,712,769)
Impairment of shares	116,400,000	5,000,000
Changes in currency	(20,210)	-
Other accruals	32,871	(312,577)
Net cash flow from operating activities	(23,243)	(25,347)
Net changes in cash balances	(23,243)	(25,347)
Cash and cash equivalents per. 01.01.	419,293	444,641
Cash and cash equivalents per. 31.12.	396,049	419,293



ODFJELL CHEMICAL TANKERS LTD.

NOTE 1 - ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Use of estimates

The management has used estimates and assumptions that affect the income statement and the valuation of assets and liabilities at the balance sheet date.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is likely that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Assets and liabilities related to the operation of the company are classified as current assets and liabilities. Assets for long-term use are classified as non-current assets.

Current assets are valued at the lower of historical cost and fair value. Short term liabilities are recognized at nominal value.

Receivables

Accounts receivable and other receivables are carried at fair value less provision for bad debts. Provision for bad debt is based on an individual assessment of each receivable. In addition, for the other receivables, a general provision is booked to cover expected losses.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Consolidated statement

The company is a subsidiary of Odfjell SE and is included in this Group statement. In accordance with the Norwegian accounting Act § 3-7 it is not prepared sub Group statement for Odfjell Chemical Tankers Ltd.



ODFJELL CHEMICAL TANKERS LTD. (Figures i USD)

NOTE 2 - SHARES IN SUBSIDIARIES

	Registered office	Ownership	Carrying amount	Net result	Book equity
Odfjell Asia II Pte. Ltd.	Singapore	100 %	319,850,000	(43,313,142)	(242,328,097)

NOTE 3 - DEBT TO COMPANIES IN THE SAME GROUP

	31.12.2018	31.12.2017
Non-current assets		
Odfjell SE	6,047,923	6,452,956
Current liabilities		
Odfjell SE	414,217	759,292

NOTE 4 - TAXES

Tax expenses:	31.12.2018	31.12.2017
Taxes payable	-	(181 534)
Changes in temporary differences	(55 658)	180 667
Total taxes	(55 658)	(867)

Basis taxes payable:	31.12.2018	31.12.2017
Result before taxes	(116 435 904)	378 313
Changes in temporary differences	55 658	1 149 252
Permanent differences *)	116 380 246	4 677 032
Losses brought forward	-	(357 123)
Tax basis	-	5,847,474
Tax rate 22%/23%	-	1,403,394
Group tax contribution	-	(1 403 394)
Taxes payable	-	-

*) The company's functional currency is USD while tax papers is in NOK.

Specification of temporary differences:	31.12.2018	31.12.2017
Non-current items	1 230 022	1 012 710
Losses brought forward *)	(10 564)	-
Net temporary differences	1 219 457	1 012 710
Tax rate	22 %	23 %
Deferred tax liabilities (assets)	268 281	232 923

The tax calculation is based on Norwegian tax rules and NOK.

*) Changes in losses brought forward shall normally be the losses brought forward that is used when calculating this year's tax, but this will not be the case here at functional currency is USD and tax papers is in NOK.



ODFJELL CHEMICAL TANKERS LTD.
(Figures i USD)

NOTE 5 - CHANGES IN EQUITY

	Share- capital	Share premium	Other equity	Total
Equity January 1, 2018	441,262,000	2,953,608	(2,066,904)	442,148,704
Net result	-	-	(116,491,562)	(116,491,562)
Equity December 31, 2018	441,262,000	2,953,608	(118,558,466)	325,657,142

NOTE 6 - SHARECAPITAL AND SHARE INFORMATION

Sharecapital: 4 412 620 shares at nominal value NOK 100.

Shareholders at December 31:

	Total shares	Voting rights
Odfjell SE	4,412,620	100 %

NOTE 7 - BENEFITS, EMPLOYEES, AUDITOR FEE, ETC

Auditor fee is expensed with USD 2.190 (ex VAT).

There has been no payment to Directors or CEO during the year.

The company has no employees.

The company is not compulsory to have a pension scheme by Law.