



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 992 188 030
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL MANAGEMENT AS
Forretningsadresse: Conrad Mohrs veg 29
5072 BERGEN

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

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: Fredrik Østervold
Dato for fastsettelse av årsregnskapet: 26.03.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

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, 06.05.2022



Resultatregnskap

| Beløp i: NOK | Note | 2020 | 2019 |
|--|------|--------------------|--------------------|
| RESULTATREGNSKAP | | | |
| Inntekter | | | |
| Operating income | 2 | 523 049 881 | 490 340 250 |
| Sum inntekter | | 523 049 881 | 490 340 250 |
| Kostnader | | | |
| Depreciation | 7 | 16 120 102 | 13 678 148 |
| General and administration expenses | 3 | 481 596 391 | 462 195 751 |
| Sum kostnader | | 497 716 493 | 475 873 899 |
| Driftsresultat | | 25 333 388 | 14 466 351 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | 4 | 600 902 | 1 537 530 |
| Currency gains(losses) | 4 | 15 671 803 | 13 967 606 |
| Sum finansinntekter | | 16 272 705 | 15 505 136 |
| Annen rentekostnad | 4 | 38 402 | 18 511 |
| Other financial items | 4 | 922 717 | 1 137 922 |
| Sum finanskostnader | | 961 119 | 1 156 433 |
| Netto finans | | 15 311 586 | 14 348 703 |
| Ordinært resultat før skattekostnad | | 40 644 974 | 28 815 054 |
| Tax on ordinary result | 12 | 9 625 910 | 7 078 673 |
| Ordinært resultat etter skattekostnad | | 31 019 064 | 21 736 381 |
| Årsresultat | | 31 019 064 | 21 736 381 |
| Overføringer og disponeringer | | | |
| Allocated to other equity | | 31 019 064 | 21 736 381 |
| Sum overføringer og disponeringer | | 31 019 064 | 21 736 381 |



Balanse

| Beløp i: NOK | Note | 2020 | 2019 |
|--|------|--------------------|--------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Varige driftsmidler | | | |
| Office equipment and cars | 7 | 62 104 202 | 53 818 754 |
| Sum varige driftsmidler | | 62 104 202 | 53 818 754 |
| Finansielle anleggsmidler | | | |
| Non-current receivables | 5 | 15 870 810 | 16 576 950 |
| Sum finansielle anleggsmidler | | 15 870 810 | 16 576 950 |
| Sum anleggsmidler | | 77 975 012 | 70 395 704 |
| Omløpsmidler | | | |
| Varer | | | |
| Bunkers and other inventories | 8 | 22 850 544 | 16 326 451 |
| Sum varer | | 22 850 544 | 16 326 451 |
| Fordringer | | | |
| Other short-term receivables | | 101 582 015 | 101 058 273 |
| Receivable on parent from cash-pool | 14 | 127 448 561 | 131 041 444 |
| Konsernfordringer | 6 | 158 601 324 | 204 644 235 |
| Sum fordringer | | 387 631 900 | 436 743 952 |
| Bankinnskudd, kontanter og lignende | | | |
| Cash and bank deposits | | 25 532 506 | 12 020 959 |
| Sum bankinnskudd, kontanter og lignende | | 25 532 506 | 12 020 959 |
| Sum omløpsmidler | | 436 014 950 | 465 091 362 |
| SUM EIENDELER | | 513 989 962 | 535 487 066 |

BALANSE - EGENKAPITAL OG GJELD



Balanse

| Beløp i: NOK | Note | 2020 | 2019 |
|--|------|--------------------|--------------------|
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Share capital | 9,10 | 100 000 000 | 100 000 000 |
| Overkurs | 9 | 14 000 | 14 000 |
| Sum innskutt egenkapital | | 100 014 000 | 100 014 000 |
| Opptjent egenkapital | | | |
| Other equity | 9 | 70 886 839 | 74 090 152 |
| Sum opptjent egenkapital | | 70 886 839 | 74 090 152 |
| Sum egenkapital | | 170 900 839 | 174 104 152 |
| Gjeld | | | |
| Langsiktig gjeld | | | |
| Pensjonsforpliktelser | 15 | 14 944 365 | 14 180 509 |
| Sum avsetninger for forpliktelser | | 14 944 365 | 14 180 509 |
| Annen langsiktig gjeld | | | |
| Other non-current liabilities | 5 | 997 428 | 1 253 117 |
| Sum annen langsiktig gjeld | | 997 428 | 1 253 117 |
| Sum langsiktig gjeld | | 15 941 793 | 15 433 626 |
| Kortsiktig gjeld | | | |
| Leverandørgjeld | | 37 375 639 | 105 252 420 |
| Kortsiktig konserngjeld | 13 | 105 364 703 | 96 870 997 |
| Other current liabilities | | 184 406 988 | 143 825 869 |
| Sum kortsiktig gjeld | | 327 147 330 | 345 949 286 |
| Sum gjeld | | 343 089 123 | 361 382 912 |
| SUM EGENKAPITAL OG GJELD | | 513 989 962 | 535 487 064 |



| | | |
|-------------------------------|------------------------------------|--|
| Vår dato 05.12.2018 | Din dato 29.10.2018 | Saksbehandler Henning Stokke |
| 800 80 000 Skatteetaten.no | Din referanse Lars M Bjørneberg | Telefon 800 80 000 |
| Org.nr 996250318 | Vår referanse 2018/1245386 | Postadresse Postboks 9200 Grønland 0134 Oslo |

ODFJELL SE
Postboks 6101
5892 BERGEN

Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk

— Vi viser til deres brev av 29. oktober 2018 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskap:

- Odfjell Tankers AS org.nr. 977 272 513
- Norfra Shipping AS org.nr. 881 412 632
- Odfjell Chemical Tankers AS org.nr. 977 047 420
- Odfjell Management AS org.nr. 992 188 030
- Odfjell Maritime Services AS org.nr. 992 188 065
- Odfjell Insurance & Properties AS org.nr. 911 037 092

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering selskapene ovenfor dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

Bakgrunn

Fra søknad gjengis:

Alle ovennevnte selskaper er datter/datterdatter-selskaper av børsnoterte Odfjell SE og er en del av konsernet Odfjell. Både konsernet og Odfjell SE er allerede i dag omfattet av dispensasjon fra krav om opplysninger på norsk.

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.

En norsk utarbeidelse av årsregnskap og årsberetning vil kun ha til formål å tilfredsstille regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal årsregnskapet og årsberetningen være på norsk. Departementet kan ved forskrift eller 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 særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er datter/datterdatter-selskaper av konsernet Odfjell. Eierkretsen er begrenset. Morselskapet har tillatelse til å benytte engelsk språk. I tillegg er selskapenes virksomhet utpreget internasjonal, hvor arbeidsspråket er engelsk. Alle sentrale aktører i bransjen behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



FINANCIAL STATEMENTS

Odfjell Management AS

For the year ended December 31, 2020

Directors Report

Income Statement

Balance Sheet

Cash Flow Statement

Notes

Auditors Report



ODFJELL MANAGEMENT AS
(Org. no 992 188 030)

The Directors' Report for year 2020

Operations and locations

The company provides management services for ships and other related services, including administration, technical management, operation, and chartering. The company is located in Bergen, Norway.

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 for the year showed a profit of NOK 31.0 million, compared with NOK 21.7 million in 2019. Total assets at the end of the year were NOK 514 million, compared with NOK 535.5 million last year. The equity ratio was 33.2% per 31.12.2020.

The Company's cash and cash equivalents was NOK 25.5 million per 31.12.2020. Receivables related to the Group's cash pool arrangement amounted to NOK 127.4 million.

Future development

The company's activities are closely linked to that of the Odfjell Group as a whole and will thus be affected by similar events and circumstances. During 2020, operations were affected by the Covid-19 outbreak, but this did not have a significant impact on the company's operational and financial performance.

The extent and duration of Covid-19 and its effects over the longer term remain largely uncertain and dependent on future developments that cannot be accurately predicted at this time. Odfjell is closely monitoring the impact of the ongoing virus outbreak and will implement measures required to minimize the adverse impact on our employees, operations, and financial results.

Financial risk

The company is mainly exposed for financial risks related to currency. On behalf of Odfjell Management AS, the parent company Odfjell SE enters into financial instruments to reduce currency exposure related to operating and administrative expenses. Odfjell Management AS is acting as a management company for different companies in the Group. Loss or gain on financial instruments contracts are distributed based on distribution keys.

Staff, discrimination and environment reports

Safety is our number one priority. We work hard to ensure that our employees keep the safety of themselves and their colleagues in mind at all times. Safety is the core message to all our people in their training and daily work.



Odfjell aims to offer challenging and meaningful job opportunities that attract, develop and retain the right people. We seek to build a world-class corporate culture and are committed to creating a caring and collaborative work environment, to promoting diversity, inclusion and equal opportunities for our employees.

Of about 174 employees at the headquarters in Bergen, 68% are men (71% in 2019) and 32% are women (29% in 2019). Half of our new hires in 2020 were women. Odfjell will follow up the requirements of Equality and Anti-Discrimination Act §26 with analysis, actions and reporting for 2020, made available on our webpages.

We carry out and follow up employee engagement surveys and yearly performance appraisals. The work environment on shore is considered good, as indicated by our high retention rates and below industry absence rates.

In 2020 the recorded absence rate at the headquarters decreased to 1.83% from 1.99% in 2019.

Research and development activities

The company has currently a few minor ongoing research and development activities.

Environmental report

The company has not had accidents of material environmental consequences for 2020.

Allocation of net result

The Board of Directors has proposed the net result to be attributed to:

| | |
|--------------------------------------|----------------|
| Net result | NOK 31 019 065 |
| Net result allocated to other equity | NOK 31 019 065 |

Bergen, 26 / 3- 2021

The Board of Directors of Odfjell Management AS

Terje Iversen
Chairman of the Board

Kristian Mørch
Member of the Board

Harald Fotland
Member of the Board



Odfjell Management AS

2020

STATEMENT OF PROFIT OR LOSS

| (NOK) | Note | 2020 | 2019 |
|--------------------------------------|------|--------------------|--------------------|
| OPERATING INCOME AND EXPENSES | | | |
| Operating income | 2 | 523 049 881 | 490 340 250 |
| General and administration expenses | 3 | - 481 596 391 | - 462 195 751 |
| Depreciation | 7 | -16 120 102 | -13 678 148 |
| Operating result | | 25 333 389 | 14 466 351 |
| FINANCIAL INCOME AND EXPENSES | | | |
| Interest income | 4 | 600 902 | 1 537 530 |
| Interest and fees paid | 4 | -38 402 | -18 511 |
| Other financial items | 4 | - 922 717 | -1 137 922 |
| Currency gains (losses) | 4 | 15 671 803 | 13 967 606 |
| Net financial items | | 15 311 586 | 14 348 702 |
| PRETAX INCOME | | 40 644 975 | 28 815 053 |
| TAXES | | | |
| Tax on ordinary result | 12 | -9 625 910 | -7 078 673 |
| Net tax expense | | -9 625 910 | -7 078 673 |
| NET INCOME | | 31 019 065 | 21 736 380 |
| BROUGHT FORWARD | | | |
| Allocated to other equity | | -31 019 065 | -21 736 378 |
| Net brought forward | | -31 019 065 | -21 736 378 |



Odfjell Management AS

2020

STATEMENT OF FINANCIAL POSITION

| (NOK) | Note | 31.12.2020 | 31.12.2019 |
|-------------------------------------|------|--------------------|--------------------|
| NON-CURRENT ASSETS | | | |
| Office equipment and cars | 7 | 62 104 202 | 53 818 754 |
| Non-current receivables | 5 | 15 870 809 | 16 576 950 |
| Sum non-current assets | | 77 975 011 | 70 395 705 |
| CURRENT ASSETS | | | |
| Bunkers and other inventories | 8 | 22 850 544 | 16 326 451 |
| Due from related companies | 6 | 158 601 324 | 204 644 235 |
| Other short-term receivables | | 101 582 015 | 101 058 273 |
| Receivable on parent from cash-pool | 14 | 127 448 561 | 131 041 444 |
| Cash and bank deposits | | 25 532 506 | 12 020 959 |
| Sum current assets | | 436 014 951 | 465 091 362 |
| TOTAL ASSETS | | 513 989 962 | 535 487 067 |
| EQUITY | | | |
| Share capital | 9,10 | 100 000 000 | 100 000 000 |
| Share premium reserve | 9 | 14 000 | 14 000 |
| Other equity | 9 | 70 886 839 | 74 090 152 |
| Sum equity | | 170 900 839 | 174 104 152 |
| NON-CURRENT LIABILITIES | | | |
| Pension liabilities | 15 | 14 944 365 | 14 180 509 |
| Other non-current liabilities | 5 | 997 428 | 1 253 117 |
| Sum non-current liabilities | | 15 941 793 | 15 433 626 |
| CURRENT LIABILITIES | | | |
| Due to related companies | 13 | 105 364 703 | 96 870 997 |
| Other current liabilities | | 184 406 989 | 143 825 869 |
| Trade creditors | | 37 375 639 | 105 252 420 |
| Sum current liabilities | | 327 147 331 | 345 949 287 |
| TOTAL EQUITY AND LIABILITIES | | 513 989 962 | 535 487 065 |



Odfjell Management AS

2020

Bergen, 26/ 3-2021

The Board of Directors of Odfjell Management AS

Kristian Verner Mørch
General manager, Member of the
board

Terje Iversen
Chairman of the board

Harald Fotland
Member of the board



Odfjell Management AS

2020

CASH FLOW STATEMENT

| (NOK) | 2020 | 2019 |
|--|--------------------|--------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Pretax income | 40 644 975 | 28 815 051 |
| Depreciation | 16 120 102 | 13 768 148 |
| Change in inventory | -6 524 093 | -1 570 091 |
| Change in trade creditors | -67 876 781 | 64 558 014 |
| Change in pension liabilities | 763 856 | 1 417 100 |
| Change in other current accruals | 39 963 231 | -43 110 441 |
| Net cash flow from operating activities | 23 091 288 | 63 877 781 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of non-current assets | -24 405 550 | -18 116 681 |
| Changes in non-current receivables and liabilities | 450 452 | -3 616 339 |
| Net cash flow from investing activities | -23 955 098 | -21 733 020 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Changes in intercompany accounts | 10 782 475 | -76 878 784 |
| Change in group cash-pool account | 3 592 883 | 37 177 777 |
| Net cash flow from financing activities | 14 375 358 | -39 701 007 |
| Net change in cash balances | 13 511 547 | 2 443 754 |
| Cash and cash equivalents 1.1 | 12 020 959 | 9 577 205 |
| Cash and cash equivalents 31.12 | 25 532 506 | 12 020 959 |



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.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date.

Operating income

Income is related to services sold to other companies in the Odfjell Group and is recognized when it is earned (when the service is provided).

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.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at amortized cost.



Office equipment and cars

Office equipment and cars is capitalized and depreciated on a straight line basis over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component.

Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset.

If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount.

The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted are used.

Inventory

Inventories are recognised at the lowest of cost and net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs.

The cost is arrived at using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location.

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.

Pensions

The company has a contribution pension scheme where the company gives contributions to local pension schemes. The contributions are expensed when it is incurred.

Yearly contribution is 6% between 0G-7.1G and 16% for salary between 7.1G-12G. (16G for additional pension scheme for executive management)

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.

Net booking of expenses

The company has expenses that are distributed to other companies in the Group, these expenses are booked net in the income statement.



Odfjell Management AS

2020

NOTE 2 - OPERATING INCOME

Operating income is related to services rendered to other companies in the Odfjell Group. Total income specified by each related party is listed below.

| (NOK) | 2020 | 2019 |
|---------------------------------|--------------------|--------------------|
| Odfjell Tankers AS | 291 038 469 | 287 904 822 |
| Odfjell Chemical Tankers AS | 106 099 448 | 90 086 328 |
| Odfjell SE | 63 622 934 | 56 475 836 |
| Odfjell Asia II Pte. Ltd. | 47 978 536 | 49 749 198 |
| Other internal operating income | 14 310 494 | 6 124 067 |
| Total | 523 049 881 | 490 340 251 |

NOTE 3 - GENERAL AND ADMINISTRATION EXPENSES

General and administration expenses by type

| (NOK) | 2020 | 2019 |
|-------------------------------|--------------------|--------------------|
| Other administrative expenses | 218 347 808 | 233 242 331 |
| Salaries, vacation pay, etc. | 173 968 517 | 162 765 120 |
| Social benefits expenses | 25 830 655 | 27 337 977 |
| Bonus expenses | 27 169 575 | 7 566 458 |
| Other social expenses | 22 320 435 | 18 476 962 |
| Pension expenses | 13 082 955 | 12 097 090 |
| Auditor fees | 876 445 | 709 813 |
| Total | 481 596 390 | 462 195 751 |

Employees, employee benefits etc.

The total number of employees for 2020 was 174.

The employees have loans from the company of total NOK 19 588. These loans have an interest rate of 1.50 % per 12/31/2020; loans exceeding NOK 50 000 are secured with collateral.

No loans or guarantees exceed 5% of the company's share capital.

Remuneration to Board of Directors

No remuneration has been paid to the board of directors in 2020.

Remuneration to management

Management compensation for 2020 was as follows:



Odfjell Management AS 2020

| (NOK) | 2020 |
|------------------|-------------------|
| Salary | 7 000 000 |
| Bonus | 4 916 382 |
| Pension Expenses | 138 640 |
| Other expenses | 263 350 |
| Total | 12 318 552 |

Auditor fees

Auditor fees are distributed as follows:

| (NOK) | 2020 |
|----------------|----------------|
| Audit fees | 876 445 |
| Other services | - |
| Total | 876 445 |

Management services bought from related Group companies

Odfjell Management AS is acting as a management company for shipowning companies and chartering and operation activities within the Group. In this connection foreign related companies charge services into Odfjell Management AS.

Total charged cost for 2020 is NOK 117.3 million.

NOTE 4 - FINANCIAL ITEMS

| (NOK) | 2020 | 2019 |
|--------------------------|-------------------|-------------------|
| Currency gains | 22 083 552 | 17 141 208 |
| Interest income | 600 902 | 1 537 530 |
| Interest and fees paid | -38 402 | -18 511 |
| Other financial expenses | - 922 717 | -1 137 922 |
| Currency losses | -6 411 749 | -3 173 602 |
| Total | 15 311 586 | 14 348 703 |



Odfjell Management AS

2020

NOTE 5 - NON-CURRENT RECEIVABLES AND LIABILITIES

Receivables with due date > 1 year

| (NOK) | 2020 | 2019 |
|------------------------------|-------------------|-------------------|
| Pension assets | 12 250 261 | 12 217 275 |
| Odfjell Durban SA (Pty) Ltd. | 3 041 960 | 3 721 883 |
| Deposits | 559 000 | 559 009 |
| Loans to employees | 19 588 | 78 784 |
| Total | 15 870 809 | 16 576 951 |

Liabilities with due date > 1 year

| (NOK) | 2020 | 2019 |
|-------------------------------|----------------|------------------|
| Other non-current liabilities | 997 428 | 1 253 117 |
| Total | 997 428 | 1 253 117 |

NOTE 6 - DUE FROM RELATED COMPANIES

| (NOK) | 12/31/2020 | 12/31/2019 |
|-----------------------------------|--------------------|--------------------|
| Odfjell Chemical Tankers AS | 69 562 144 | 101 237 268 |
| Odfjell Asia II Pte. Ltd. | 42 246 267 | 0 |
| Odfjell Philippines Inc. | 26 604 364 | 22 167 539 |
| Odfjell Tankers AS | 9 705 439 | 21 755 480 |
| Odfjell Maritime Services AS | 3 976 205 | 0 |
| Odfjell Tankers Korea | 2 969 784 | 3 748 198 |
| Odfjell Middle East DMCC | 1 387 219 | 810 866 |
| Odfjell India | 962 392 | 691 296 |
| Odfjell Japan Ltd. | 902 606 | 886 896 |
| Odfjell Insurance & Properties AS | 127 380 | 64 561 |
| Odfjell Peru | 94 609 | 97 300 |
| Odfjell Durban SA Pty Ltd. | 59 460 | 43 500 |
| Norfra Shipping AS | 3 457 | 9 219 |
| Odfjell SE | 0 | 53 132 112 |
| Total | 158 601 324 | 204 644 235 |

**NOTE 7 - NON-CURRENT ASSETS**

| (NOK) | Cars | Equipment, ICT etc | Total |
|--|-----------------|---------------------------|--------------------|
| Costprice 1.1 | 450 000 | 102 509 996 | 102 959 996 |
| Additions | -- | 24 405 550 | 24 405 550 |
| Scrapping | - | -19 711 428 | -19 711 428 |
| Costprice 31.12 | 450 000 | 107 204 118 | 107 654 118 |
| Accumulated depreciation 1.1 | -129 200 | -49 012 043 | -49 141 243 |
| Scrapping | - | 19 711 428 | 19 711 428 |
| This year's depreciation expense | -64 800 | -16 055 302 | -16 120 102 |
| Accumulated depreciation 31.12 | -194 000 | -45 355 917 | -45 549 917 |
| Net carrying amount December 31, 2020 | 256 000 | 61 848 201 | 62 104 201 |

All non-current assets are depreciated on a straight line basis.

| | Cars | Office equipment, ICT etc. |
|---------------------|-------------|-----------------------------------|
| Depreciation period | 7 years | 3-15 years |

NOTE 8 - INVENTORY

| (NOK) | 2020 | 2019 |
|----------------------------|-------------------|-------------------|
| Inventory for use on ships | 22 850 544 | 16 326 451 |
| Total | 22 850 544 | 16 326 451 |

NOTE 9 - EQUITY

| (NOK) | Share capital | Share premium | Other equity | Total |
|--------------------------------|----------------------|----------------------|---------------------|--------------------|
| Equity 1.1 | 100 000 000 | 14 000 | 74 090 152 | 174 104 152 |
| Net result | - | - | 31 019 065 | 31 019 065 |
| Pension adjustment | - | - | -94 147 | -94 147 |
| Group contribution (after tax) | - | - | -34 128 228 | -34 128 228 |
| Equity 31.12 | 100 000 000 | 14 000 | 70 886 839 | 170 900 839 |



NOTE 10 - SHARE CAPITAL AND PREMIUM

Share capital

The share capital consists of 1 000 shares with a nominal value of NOK 150 000 per share. Total carrying amount equals NOK 100 000 000.

List of shareholders as of 12/31/2020:

| Shareholder | Number of shares | Voting rights |
|-------------|------------------|---------------|
| Odfjell SE | 1 000 | 100% |

NOTE 11 - FINANCIAL MARKET RISK

The company enters into financial instruments to reduce currency risk on administration and operating expenses.

On behalf of Odfjell Management AS the parent company Odfjell SE enters into financial instruments to reduce currency exposure related to operating and administration expenses.

Odfjell Management AS is again acting as management company for different companies in the Group. Loss or gain on financial instruments contract are distributed to the company based on distribution keys.

| (NOK) | 12/31/2020 | 12/31/2019 |
|-----------------------------|------------|------------|
| Off-balance currency hedges | 37 622 004 | -1 798 653 |

NOTE 12 - TAXES

Tax expenses

| (USD) | 2020 | 2019 |
|---------------------------|------------------|------------------|
| Taxes payable | 9 625 910 | 7 078 673 |
| Change in deferred taxes | - | - |
| Total tax expenses | 9 625 910 | 7 078 673 |



Odfjell Management AS

2020

Reconciliation of pre-tax income to taxable income

| (USD) | 2020 | 2019 |
|---------------------------------------|-------------------|-------------------|
| Pre-tax income | 40 644 975 | 28 815 051 |
| Tax effect of: | | |
| Permanent differences | 1 637 582 | 6 253 |
| Change in temporary differences | 1 471 582 | 3 354 483 |
| Basis for taxes payable | 43 754 139 | 32 175 787 |
| Taxes payable | 9 625 910 | 7 078 673 |
| Effect of group contribution | -9 625 910 | -7 078 673 |
| Taxes payable in balance sheet | - | - |

Specification of temporary differences

| (NOK) | 12/31/2020 | 12/31/2019 |
|---------------------------------------|--------------------|--------------------|
| Non-current items | -6 017 085 | -5 053 671 |
| Pensions | -15 941 793 | -15 433 626 |
| Total | -21 958 878 | -20 487 297 |
| Tax rate | 22% | 22% |
| Deferred tax asset (liability) | -4 830 953 | -4 507 205 |

Based on an assessment of future utilization, deferred tax assets are not recognized in the financial statements.

NOTE 13 - DUE TO RELATED COMPANIES

| (NOK) | 12/31/2020 | 12/31/2019 |
|------------------------------|--------------------|-------------------|
| Odfjell Terminals II AS | 75 929 927 | 32 175 788 |
| Odfjell SE | 21 854 496 | 0 |
| Odfjell Argentina S.A. | 4 233 603 | 4 354 008 |
| Odfjell Chile | 1 495 806 | 1 538 347 |
| Odfjell Singapore Pte. Ltd. | 950 631 | 738 124 |
| Odfjell UK Ltd. | 566 934 | 583 058 |
| Odfjell USA Inc. | 333 304 | 337 307 |
| Odfjell Asia II Pte. Ltd. | 0 | 55 293 097 |
| Odfjell Maritime Services AS | 0 | 1 851 268 |
| Total | 105 364 703 | 96 870 997 |



NOTE 14 - GROUP CASH POOL ACCOUNTS AND RESTRICTED DEPOSITS

Group cash-pool accounts

The company is included in the Group's cash pooling account system with Odfjell SE, Odfjell Tankers AS, Odfjell Management AS, Odfjell Maritime Services AS, Odfjell Terminals II AS, Odfjell Chemical Tankers AS and Norfra Shipping AS.

The companies are jointly and severally liable for any outstanding amounts.

Based on a reassessment of the cash-pool agreement, these accounts are now presented as a receivable on the parent company. Prior year's cash and cash equivalent and liabilities to financial institutions have been restated to reflect this fact, resulting in a restatement of cash from NOK 182 789 249 to NOK 12 020 959, a reduction of liabilities to financial institutions from NOK 39 726 846 to NOK 0, and an equivalent increase in receivables.

Restricted deposits

The company has restricted deposits related to withholding taxes for the following amounts:

| (NOK) | 12/31/2020 | 12/31/2019 |
|--------------------|------------|------------|
| Restricted deposit | 21 328 146 | 8 980 562 |

NOTE 15 - PENSIONS

Pension schemes

The company has the following pensions schemes:

- Defined contribution plan
- Additional defined contribution plan for executive management with salary between 12-18G.

The company pays a fixed amount of salary as contribution to the scheme for each employee limited up to 12G. For members of the management the company has arranged an additional pension scheme which cover salary between 12G and 18G. This mean that 16% of salary between 12G and 18G is cover by this arrangement. This scheme is secured by payment to a restricted bank account.

Pension expenses

| (NOK) | 12/31/2020 | 12/31/2019 |
|------------------|------------|------------|
| Pension expenses | 13 082 955 | 12 097 090 |



NOTE 16 - CONSOLIDATED ACCOUNTS

The company is included in Odfjell SE's consolidated accounts. The consolidated financial statements can be obtained by contacting Odfjell SE's registered office in Bergen.

NOTE 17 - COVID-19

Odfjell Management AS delivers services to the Odfjell Group; the company is therefore affected by the development in the Group's markets.

The outbreak of the Coronavirus (COVID-19) continues to put constraints on businesses around the world. During 2020, the outbreak did not have a severe negative effect on the Group's financial performance. The impact from COVID-19 continues in 2021.

The extent and duration of these conditions over the longer term remain largely uncertain and dependent on future developments that cannot be accurately predicted at this time. Odfjell is closely monitoring the impact of the ongoing virus outbreak and will implement measures required to minimize the adverse impact on our employees, operations and financial results.

NOTE 18 - SUBSEQUENT EVENTS

No events have taken place after the balance sheet date with a significant impact on the Company's operations or financial position.



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Odfjell Management AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Odfjell Management AS, which comprise the balance sheet as at 31 December 2020, statement of profit or loss and statement 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 2020 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 and Chief Executive Officer (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 on the other information obtained prior to the date of the auditor's report, 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.



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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 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.

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.

Independent auditor's report - Odfjell Management AS

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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, 26 March 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Jørn Knutsen
State Authorised Public Accountant (Norway)

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Jørn Knutsen

Statsautorisert revisor

On behalf of: Ernst & Young AS

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