



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

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: 31.03.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 14.05.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Operating income	2	543 672 003	523 049 881
Sum inntekter		543 672 003	523 049 881
Kostnader			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer	3, 7	447 960 809	480 650 661
Employee benefits expense		3 542 437	945 731
Depreciation	6	19 253 193	16 120 102
Nedskrivning av varige driftsmidler og immaterielle eiendeler	6		
Sum kostnader		470 756 438	497 716 494
Driftsresultat		72 915 565	25 333 388
Finansinntekter og finanskostnader			
Annen renteinntekt	4	122 030	600 902
Currency gain/(loss)	4	1 449 891	15 671 803
Sum finansinntekter		1 571 921	16 272 705
Annen rentekostnad	4	265 398	580 699
Other financial expenses	4	-166 605	380 420
Sum finanskostnader		98 793	961 119
Netto finans		1 473 128	15 311 586
Ordinært resultat før skattekostnad		74 388 693	40 644 974
Taxes	5	5 392 430	9 625 911
Ordinært resultat etter skattekostnad		68 996 263	31 019 063
Årsresultat		68 996 263	31 019 063
Årsresultat etter minoritetsinteresser		68 996 263	31 019 063
Totalresultat		68 996 263	31 019 063



Resultatregnskap

Beløp i: NOK	Note	2021	2020
Overføringer og disponeringer			
Other equity	13	68 996 263	31 019 063
Sum overføringer og disponeringer		68 996 263	31 019 063



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Office equipment and cars	6	60 354 133	62 104 202
Sum varige driftsmidler		60 354 133	62 104 202
Finansielle anleggsmidler			
Other long-term receivables	9	14 398 347	15 870 809
Sum finansielle anleggsmidler		14 398 347	15 870 809
Sum anleggsmidler		74 752 480	77 975 011
Omløpsmidler			
Varer			
Inventory	10	25 408 144	22 850 544
Sum varer		25 408 144	22 850 544
Fordringer			
Other current receivables	8	132 062 406	101 582 015
Konsernfordringer	8	295 199 382	286 049 885
Sum fordringer		427 261 788	387 631 900
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	11	14 082 511	25 532 506
Sum bankinnskudd, kontanter og lignende		14 082 511	25 532 506
Sum omløpsmidler		466 752 443	436 014 950
SUM EIENDELER		541 504 923	513 989 961

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: NOK	Note	2021	2020
Innskutt egenkapital			
Share capital	12, 13	100 000 000	100 000 000
Overkurs	13	14 000	14 000
Sum innskutt egenkapital		100 014 000	100 014 000
Opptjent egenkapital			
Other equity	13	119 353 128	70 886 839
Sum opptjent egenkapital		119 353 128	70 886 839
Sum egenkapital		219 367 128	170 900 839
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	14	17 014 181	14 944 365
Restructuring	15		
Sum avsetninger for forpliktelser		17 014 181	14 944 365
Annen langsiktig gjeld			
Other non-current liabilities	9		997 428
Sum annen langsiktig gjeld			997 428
Sum langsiktig gjeld		17 014 181	15 941 793
Kortsiktig gjeld			
Public duties payable		16 828 572	32 980 875
Kortsiktig konserngjeld	8	9 237 910	29 434 773
Other current liabilities		279 057 132	264 731 680
Sum kortsiktig gjeld		305 123 615	327 147 329
Sum gjeld		322 137 796	343 089 122
SUM EGENKAPITAL OG GJELD		541 504 923	513 989 961



FINANCIAL STATEMENTS

Odfjell Management AS

For the year ended December 31, 2021

Directors Report

Income Statement

Balance Sheet

Cash Flow Statement

Notes

Auditors Report



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ODFJELL MANAGEMENT AS
(Org. no 992 188 030)

The Directors' Report for year 2021

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 69.0 million, compared with NOK 31.0 million in 2020. Total assets at the end of the year were NOK 541.5 million, compared with NOK 514.0 million last year. The equity ratio was 40.5% per 31.12.2021.

The Company's cash and cash equivalents was NOK 14.1 million per 31.12.2021. Receivables related to the Group's cash pool arrangement amounted to NOK 146.6 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. The outbreak of the Coronavirus (COVID-19) continues to put constraints on businesses around the world. During 2021, the outbreak did not have a severe negative effect on the company's financial performance. The impact from COVID-19 continues in 2022.

Not long after the Covid-19 infection had begun to recede in most Western affluent countries, a new tragedy arose in the form of a devastating war on European soil. While the outcome is currently unknown, it is clear that the conflict between Russia and Ukraine will have severe ramifications on the world.

Apart from endangering peace in Europe and resulting in the tragic loss of human life, the war has sent shockwaves across the global financial markets. The shipping sector is no exception, as it is intertwined with most aspects of the worldwide economy.

Odfjell has a limited presence in the areas immediately affected by the current war, and we have observed limited direct consequences thus far. We are actively monitoring the situation and implementing the measures required to minimize the adverse impact on our employees, operations, and financial results. Our top priority is to ensure the safety and well-being of our crew, vessels, and cargo.

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



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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.

Directors and Officers Liability Insurance

Odfjell has purchased and maintain a Directors and Officers Liability Insurance on behalf of members of the Board of Directors and CEO. The insurance additionally covers any employee acting in a managerial capacity and includes subsidiaries. The insurance policy is issued by a reputable, specialized insurer with appropriate rating.

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 171 employees at the headquarters in Bergen, 68% are men (68% in 2020) and 32% are women (32% in 2020). Odfjell will follow up the requirements of Equality and Anti-Discrimination Act §26 with analysis, actions and reporting for 2021, 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 2021 the recorded absence rate at the headquarters decreased to 1.69% from 1.83% in 2020.

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 2021.

Allocation of net result

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

Net result	NOK 68 996 263
Net result allocated to other equity	NOK 68 996 263



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Bergen, 31/3 - 2022
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



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Odfjell Management AS

2021

STATEMENT OF PROFIT OR LOSS

(NOK)	Note	2021	2020
OPERATING INCOME AND EXPENSES			
Operating income	2	487 766 066	523 049 881
Other income	3	55 522 640	0
General and administration expenses	4	- 451 119 948	- 481 596 393
Depreciation	8	-19 253 193	-16 120 102
Operating result		72 915 565	25 333 387
FINANCIAL INCOME AND EXPENSES			
Interest income	5	122 030	600 902
Interest and fees paid	5	-56 860	-38 402
Other financial items	5	-41 933	- 922 717
Currency gains (losses)	5	1 449 891	15 671 803
Net financial items		1 473 128	15 311 586
PRETAX INCOME		74 388 693	40 644 973
TAXES			
Tax on ordinary result	13	-5 392 430	-9 625 910
Net tax expense		-5 392 430	-9 625 910
NET INCOME		68 996 263	31 019 063
BROUGHT FORWARD			
Net brought forward		-68 996 263	-31 019 065
Net brought forward		-68 996 263	-31 019 065

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Odfjell Management AS

2021

STATEMENT OF FINANCIAL POSITION

(NOK)	Note	31.12.2021	31.12.2020
NON-CURRENT ASSETS			
Office equipment and cars	8	60 354 133	62 104 202
Non-current receivables	6	14 398 347	15 870 809
Sum non-current assets		74 752 480	77 975 011
CURRENT ASSETS			
Due from related companies	7	148 581 071	158 601 324
Other short-term receivables		132 062 407	101 582 015
Receivable on parent from cash-pool	15	146 618 310	127 448 561
Cash and bank deposits		14 082 511	25 532 506
Inventories	9	25 408 144	22 850 544
Sum current assets		466 752 443	436 014 951
TOTAL ASSETS		541 504 923	513 989 962
EQUITY			
Share capital	10,11	100 000 000	100 000 000
Share premium reserve	10	14 000	14 000
Other equity	10	119 353 128	70 886 839
Sum equity		219 367 128	170 900 839
NON-CURRENT LIABILITIES			
Pension liabilities	16	17 014 181	14 944 365
Other non-current liabilities	6	0	997 428
Sum non-current liabilities		17 014 181	15 941 793
CURRENT LIABILITIES			
Due to related companies	14	109 678 882	105 364 703
Other current liabilities		128 308 915	184 406 989
Trade creditors		67 135 819	37 375 639
Sum current liabilities		305 123 615	327 147 331
TOTAL EQUITY AND LIABILITIES		541 504 923	513 989 962

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Odfjell Management AS

2021

Bergen, 31/3 - 2022

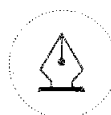
The Board of Directors of Odfjell Management AS

Kristian Verner Mørch
General manager, Member of the
board

Terje Iversen
Chairman of the board

Harald Fotland
Member of the board

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Odfjell Management AS

2021

CASH FLOW STATEMENT

(NOK)	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES		
Pretax income	74 388 692	40 644 975
Depreciation	19 253 193	16 120 102
Change in inventory	-2 557 600	-6 524 093
Change in trade creditors	29 760 179	-67 876 781
Change in pension liabilities	658 455	763 856
Change in other current accruals	-86 576 465	39 963 231
Net cash flow from operating activities	34 924 454	23 091 288
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of non-current assets	-17 503 123	-24 405 550
Changes in non-current receivables and liabilities	475 034	450 452
Net cash flow from investing activities	-17 028 089	-23 955 098
CASH FLOW FROM FINANCING ACTIVITIES		
Changes in intercompany accounts	-10 176 611	10 782 475
Change in group cash-pool account	-19 169 749	3 592 883
Net cash flow from financing activities	-29 346 360	14 375 358
Net change in cash balances	-11 449 995	13 511 547
Cash and cash equivalents 1.1	25 532 506	12 020 959
Cash and cash equivalents 31.12	14 082 511	25 532 506



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Odfjell Management AS

2021

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.

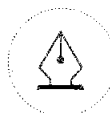
Balance sheet classification

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.

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Odfjell Management AS

2021

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)

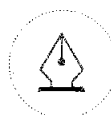
Cash flow statement

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.

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Odfjell Management AS

2021

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)	2021	2020
Odfjell Tankers AS	279 069 475	291 038 469
Odfjell Chemical Tankers AS	98 484 004	106 099 448
Odfjell SE	59 780 196	63 622 934
Odfjell Asia II Pte. Ltd.	40 197 308	47 978 536
Other internal operating income	10 235 082	14 310 494
Total	487 766 065	523 049 881

NOTE 3 - OTHER INCOME

Other income relates to a distribution received from Den Norske Krigsforsikring for Skib.

NOTE 4 - GENERAL AND ADMINISTRATION EXPENSES

General and administration expenses by type

(NOK)	2021	2020
Other administrative expenses	189 380 401	218 347 808
Salary expenses	177 583 528	173 968 517
Bonus expenses	19 852 868	27 169 575
Social benefits expenses	25 917 288	25 830 655
Other social expenses	24 122 041	22 320 435
Pension expenses	13 565 304	13 082 955
Auditor fees	698 519	876 445
Total	451 119 949	481 596 390

Employees, employee benefits etc.

The total number of employees for 2021 was 171.

The employees have loans from the company of total NOK 39 000. These loans have an interest rate of 1.30 % per 31.12.2021; 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 2021.

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Odfjell Management AS

2021

Remuneration to management

Management compensation for 2021 was as follows:

(NOK)	2021
Salary	7 182 000
Bonus	2 936 062
Pension Expenses	100 404
Other expenses	298 257
Total	10 516 623

Auditor fees

Auditor fees are distributed as follows:

(NOK)	2021
Audit fees	698 519
Other services	-
Total	698 519

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 to Odfjell Management AS.

Total charged cost for 2021 is NOK 119.4 million.

NOTE 5 - FINANCIAL ITEMS

(NOK)	2021	2020
Currency gains	4 346 127	22 001 555
Interest income	122 030	600 902
Guarantees from related companies	- 376	0
Interest and fees paid	-56 860	-38 402
Other financial expenses	-41 557	- 922 717
Currency losses	-2 896 236	-6 329 752
Total	1 473 128	15 311 586

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Odfjell Management AS

2021

NOTE 6 - NON-CURRENT RECEIVABLES AND LIABILITIES

Receivables with due date > 1 year

(NOK)	2021	2020
Pension assets	11 215 432	12 250 261
Odfjell Durban SA (Pty) Ltd.	2 584 916	3 041 960
Deposits	559 000	559 000
Loans to employees	39 000	19 588
Total	14 398 348	15 870 809

Liabilities with due date > 1 year

(NOK)	2021	2020
Other non-current liabilities	0	997 428
Total	0	997 428

NOTE 7 - DUE FROM RELATED COMPANIES

(NOK)	31.12.2021	31.12.2020
Odfjell Asia II Pte. Ltd.	88 149 996	73 694 432
Odfjell Philippines Inc.	20 459 124	26 604 364
Odfjell Chemical Tankers AS	18 080 927	38 113 979
Odfjell Chemical Tankers II AS	12 749 081	0
Odfjell Tankers Korea	2 609 775	2 969 784
Odfjell Maritime Services AS	2 382 000	3 976 205
Odfjell Ship Management Philippines	1 263 446	0
Odfjell Japan Ltd.	926 475	902 606
Odfjell SE	855 653	0
Odfjell Middle East DMCC	518 474	1 387 219
Odfjell Insurance & Properties AS	218 304	127 380
Odfjell Durban SA Pty Ltd.	217 206	59 460
Odfjell Peru	97 920	94 609
Odfjell India	52 690	962 392
Odfjell Singapore Pte. Ltd.	0	0
Odfjell Tankers AS	0	9 705 439
Norfra Shipping AS	0	3 457
Total	148 581 071	158 601 326

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Odfjell Management AS

2021

NOTE 8 - NON-CURRENT ASSETS

(NOK)	Cars	Equipment, ICT etc	Total
Costprice 1.1	450 000	107 212 018	107 662 018
Additions	-	17 503 123	17 503 123
Disposals	-	-	-
Costprice 31.12	450 000	124 715 141	125 165 141
Accumulated depreciation 1.1	-193 600	-45 364 216	-45 557 816
Disposals	-	-	-
This year's depreciation expense	-64 800	-19 188 393	-19 253 193
Accumulated depreciation 31.12	-258 400	-64 552 609	-64 811 009
Net carrying amount December 31, 2021	191 600	60 162 533	60 354 133

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

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

NOTE 9 - INVENTORY

(NOK)	2021	2020
Inventory for use on ships	25 408 144	22 850 544
Total	25 408 144	22 850 544

NOTE 10 - EQUITY

(NOK)	Share capital	Share premium	Other equity	Total
Equity 1.1	100 000 000	14 000	70 886 839	170 900 839
Net result	-	-	68 996 263	68 996 263
Pension adjustment	-	-	-1 411 359	-1 411 359
Group contribution (after tax)	-	-	-19 118 615	-19 118 615
Equity 31.12	100 000 000	14 000	119 353 128	219 367 128

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Odfjell Management AS

2021

NOTE 11 - 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 31.12.2021:

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

NOTE 12 - 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)	31.12.2021	31.12.2020
Off-balance currency hedges	5 401 153	37 622 004

NOTE 13 - TAXES

Tax expenses

(USD)	2021	2020
Taxes payable	5 392 430	9 625 910
Change in deferred taxes	-	-
Total tax expenses	5 392 430	9 625 910

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Odfjell Management AS

2021

Reconciliation of pre-tax income to taxable income

(USD)	2021	2020
Pre-tax income	74 388 693	40 644 975
Tax effect of:		
Permanent differences	-52 347 195	1 637 582
Change in temporary differences	2 469 547	1 471 582
Basis for taxes payable	24 511 045	43 754 139
Taxes payable	5 392 430	9 625 910
Effect of group contribution	-5 392 430	-9 625 910
Taxes payable in balance sheet	-	-

Specification of temporary differences

(NOK)	31.12.2021	31.12.2020
Non-current items	-7 414 244	-6 017 085
Pensions	-17 014 181	-15 941 793
Total	-24 428 425	-21 958 878
Tax rate	22%	22%
Deferred tax asset (liability)	-5 374 254	-4 830 953

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

NOTE 14 - DUE TO RELATED COMPANIES

(NOK)	31.12.2021	31.12.2020
Odfjell Terminals II AS	100 440 972	75 929 927
Odfjell Argentina S.A.	4 381 773	4 233 603
Odfjell Tankers AS	3 304 493	0
Odfjell Chile	1 548 157	1 495 806
Odfjell Terminals AS	1 800	0
Odfjell Gas Shipowning AS	1 687	0
Odfjell SE	0	21 854 496
Odfjell Singapore Pte. Ltd.	0	950 631
Odfjell UK Ltd.	0	566 934
Odfjell USA Inc.	0	333 304
Total	109 678 882	105 364 703

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Odfjell Management AS

2021

NOTE 15 - 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. These accounts are presented as a receivable on the parent company.

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

Restricted deposits

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

(NOK)	31.12.2021	31.12.2020
Restricted deposit	9 515 443	21 328 146

NOTE 16 - 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)	31.12.2021	31.12.2020
Pension expenses	13 565 304	13 082 955

NOTE 17 - 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.

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Odfjell Management AS

2021

NOTE 18 - 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 2021, the outbreak did not have a severe negative effect on the Group's financial performance. The impact from COVID-19 continues in 2022.

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 19 - SUBSEQUENT EVENTS

Not long after the Covid-19 infection had begun to recede in most Western affluent countries, a new tragedy arose in the form of a devastating war on European soil. While the outcome is currently unknown, it is clear that the conflict between Russia and Ukraine will have severe ramifications on the world.

Apart from endangering peace in Europe and resulting in the tragic loss of human life, the war has sent shock waves across the global financial markets. The shipping sector is no exception, as it is intertwined with most aspects of the worldwide economy. Odfjell has a limited presence in the areas immediately affected by the current war, and we have observed limited direct consequences thus far.

We are actively monitoring the situation and implementing the measures required to minimize the adverse impact on our staff, operations, and financial results. Our top priority is to ensure the safety and well-being of our crew, vessels and cargo.

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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Odfjell Management AS

Opinion

We have audited the financial statements of Odfjell Management AS (the Company), which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 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 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 requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and Chief Executive Officer) are responsible for the other information. Our opinion on 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, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

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 audit conducted in accordance with 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 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 the board of directors 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.

Bergen, 31 March 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Jørn Knutsen
State Authorised Public Accountant (Norway)

Independent auditor's report - Odjell Management AS 2021

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"By my signature I confirm all dates and content in this document."

Jørn Knutsen

Oppdragsansvarlig partner

On behalf of: Ernst & Young AS

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2022-03-31 19:19:13 UTC



Jørn Knutsen

Statsautorisert revisor

On behalf of: Ernst & Young AS

Serial number: 9578-5992-4-3012515

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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.