



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 898 170 632
Organisasjonsform: Aksjeselskap
Foretaksnavn: HASSEL SHIPPING 2 AS
Forretningsadresse: Lars Hilles gate 30
5008 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: Anne Hovland
Dato for fastsettelse av årsregnskapet: 15.06.2021

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, 28.07.2022



Resultatregnskap

Beløp i: USD	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Sales revenues		16 778 521	4 441 236
Sum inntekter	12	16 778 521	4 441 236
Kostnader			
Cost of goods sold	12	9 276 956	2 655 914
Depreciation	3	5 371 004	1 105 180
Other operating expenses	2	317 846	221 920
Sum kostnader		14 965 806	3 983 014
Driftsresultat		1 812 715	458 222
Finansinntekter og finanskostnader			
Annen renteinntekt	4	17 168	
Other financial income	5	11 703	161 916
Sum finansinntekter		28 871	161 916
Write downs of non-current financial assets	1,8		6 670 000
Rentekostnad til foretak i samme konsern	4	11 120	62 058
Annen rentekostnad	4,15	1 407 937	2 153 603
Other financial expenses	5	105 741	282 484
Sum finanskostnader		1 524 798	9 168 145
Netto finans		-1 495 927	-9 006 229
Ordinært resultat før skattekostnad	12	316 788	-8 548 007
Ordinært resultat etter skattekostnad		316 788	-8 548 007
Årsresultat		316 788	-8 548 007
Overføringer og disponeringer			
Transfer to accumulated other equity		316 788	-8 548 007
Sum overføringer og disponeringer		316 788	-8 548 007



Balanse

Beløp i: USD	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Sum immaterielle eiendeler		0	
Varige driftsmidler			
Vessels, riggs, planes etc	3, 15	63 412 228	14 197 297
Sum varige driftsmidler		63 412 228	14 197 297
Finansielle anleggsmidler			
Investering i datterselskap	1, 8		63 602 088
Sum finansielle anleggsmidler			63 602 088
Sum anleggsmidler		63 412 228	77 799 385
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable	7	705 238	1 224 818
Other short-term receivables	7	3 694 332	1 102 226
Konsernfordringer	6	366 010	3 868 307
Sum fordringer		4 765 580	6 195 351
Investeringer			
Aksjer og andeler i foretak i samme konsern	6		
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents		2 847 222	5 512 121
Sum bankinnskudd, kontanter og lignende		2 847 222	5 512 121
Sum omløpsmidler		7 612 802	11 707 472
SUM EIENDELER		71 025 030	89 506 857



Balanse

Beløp i: USD	Note	2020	2019
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	8,9	9 226	9 226
Overkurs	9	46 696 051	46 691 667
Sum innskutt egenkapital		46 705 277	46 700 893
Opptjent egenkapital			
Udekket tap	9	16 176 432	13 911 550
Sum opptjent egenkapital		-16 176 432	-13 911 550
Sum egenkapital		30 528 845	32 789 343
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	15	35 625 000	39 375 000
Langsiktig konserngjeld	6		
Sum annen langsiktig gjeld		35 625 000	39 375 000
Sum langsiktig gjeld		35 625 000	39 375 000
Kortsiktig gjeld			
Leverandørgjeld		591 248	775 244
Kortsiktig konserngjeld	6	103 229	10 789 365
Other current liabilities	8,15	426 794	2 027 906
Short term mortgage liability	8,15	3 750 000	3 750 000
Sum kortsiktig gjeld		4 871 271	17 342 515
Sum gjeld		40 496 271	56 717 515
SUM EGENKAPITAL OG GJELD		71 025 116	89 506 858



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Hassel Shipping 2 AS

Annual report 2020

Board of directors' report

Annual company and group accounts

- **Income statement**
- **Balance sheet**
- **Cash flow statement**
- **Notes**

Auditors' report



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Hassel Shipping 2 AS

Income statement

Hassel Shipping 2 AS			Prior period	
2020	Note	Consolidated	General partner	
Revenue				
17 588 868		16 037 218	4 609 258	Gross freight income
<u>-810 347</u>		<u>-569 108</u>	<u>-168 023</u>	Voyage related expenses
<u>16 778 521</u>	12	<u>15 468 110</u>	<u>4 441 236</u>	Total revenue
Operating expenses				
- 9 276 956	12	-9 215 882	-2 655 914	Operating expenses ships
<u>7 501 564</u>	12	<u>6 252 228</u>	<u>1 785 322</u>	Operating result ships
5 371 004	3	5 717 825	1 105 180	Depreciation
317 846		276 656	221 920	Other administrative expenses
<u>0</u>	3	<u>2 125 561</u>	<u>0</u>	Profit / loss from sale of vessels
<u>5 688 850</u>		<u>8 120 042</u>	<u>1 327 100</u>	Sum other operating expenses
<u>1 812 714</u>		<u>-1 867 814</u>	<u>458 222</u>	Operating result
Financial income and expenses				
17 168	4	161 916	161 916	Interest income
11 703		0	0	Other financial income
11 120	5	62 058	62 058	Interest expenses to group entities
1 407 937	4, 15	2 153 603	2 153 603	Mortgage interest vessel
105 741	4, 15	278 963	282 484	Other financial expenses
			6 670 000	Write-down of long-term investment
<u>-1 495 927</u>		<u>-2 332 707</u>	<u>9 006 229</u>	Net financial items
<u>316 787</u>		<u>-4 200 521</u>	<u>-8 548 007</u>	Result before tax
<u>316 787</u>	12	<u>- 4 200 521</u>	<u>-8 548 007</u>	Net profit or loss for the year
Allocated as follows				
<u>316 787</u>		<u>-4 200 521</u>	<u>-8 548 007</u>	Transferred to/from other equity



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Hassel Shipping 2 AS

Balance sheet as of December 31 2020

Hassel Shipping 2 AS			Prior period	
2020	Note	Consolidated	General partner	
Fixed assets				
Tangible fixed assets				
63 412 228	Ships	3, 15	69 390 347	14 197 297
	Financial assets Investment in Partnership	1,8	0	63 602 088
<u>63 412 228</u>	Total fixed assets		<u>69 390 347</u>	<u>77 799 385</u>
Current assets				
Current receivables				
366 010	Due from Group companies	6	3 868 307	3 868 307
705 238	Trade receivables	7	1 224 818	1 224 818
0	Other receivables	7	1 102 226	1 102 226
<u>3 694 332</u>	Other current assets	7	<u>0</u>	<u>0</u>
<u>4 765 580</u>	Total current assets		<u>6 195 352</u>	<u>6 195 352</u>
<u>2 847 222</u>	Cash and cash equivalents		<u>5 512 121</u>	<u>5 512 121</u>
<u>7 612 802</u>	Total current assets		<u>11 707 473</u>	<u>11 707 473</u>
<u>71 025 030</u>	TOTAL ASSETS		<u>81 097 820</u>	<u>89 506 858</u>



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Hassel Shipping 2 AS

Balance sheet as of
December 31 2020

Hassel Shipping 2 AS			Prior period	
2020	Note	Consolidated	General partner	
Equity				
Paid-in capital				
9 226	Share capital	8,9	9 226	9 226
<u>46 696 051</u>	Share premium	<u>46 691 667</u>	<u>46 691 667</u>	
<u>46 705 276</u>	Total paid-in capital	<u>46 700 893</u>	<u>46 700 893</u>	
Other equity				
<u>-16 176 432</u>	Other equity	8,9	<u>-7 491 861</u>	<u>-13 911 550</u>
<u>30 528 844</u>	Sum Equity	8,9	<u>39 209 032</u>	<u>32 789 343</u>
0	Minority interests in Hassel 2 Shipping		<u>-5 401 420</u>	<u>0</u>
<u>30 528 844</u>	TOTAL EQUITY	8,9	<u>33 807 612</u>	<u>32 789 343</u>
Liabilities				
Other long-term liabilities				
<u>35 625 000</u>	Mortgage liability vessels	15	<u>39 375 000</u>	<u>39 375 000</u>
<u>35 625 000</u>	Total long term liabilities		<u>39 375 000</u>	<u>39 375 000</u>
Short term liabilities				
591 248	Trade creditors		775 244	775 244
3 750 000	Mortgage liability	8, 15	3 750 000	3 750 000
426 794	Other current liabilities	8, 15	3 389 943	2 027 906
<u>103 229</u>	Due to Group companies	6	<u>0</u>	<u>10 789 365</u>
<u>4 871 271</u>	Total current liabilities		<u>7 915 187</u>	<u>17 342 494</u>
<u>40 496 271</u>	TOTAL LIABILITIES		<u>47 290 187</u>	<u>56 717 494</u>
<u>71 025 116</u>	TOTAL EQUITY AND LIABILITIES		<u>81 097 799</u>	<u>89 506 858</u>



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Hassel Shipping 2 AS

31 December 2020
Bergen, 15 June 2021

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Tore Hopen
Styrets leder

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Fredrik Advocaat Lund
Styremedlem



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Hassel Shipping 2 AS

Cash flow statement

		2020	2019
Cash flow from operating activities			
Profit/(loss) before tax		316 788	-4 200 521
Depreciation and amortisation expenses	3	6 155 795	6 505 663
Impairment vessel		0	2 125 561
Changes in inventories, accounts receivable	6,7	-135 411	676 483
Changes in account payable	6,7	519 580	2 172 401
Changes in current intercompany receivables and payables	6	-1 356 257	0
Payment of working capital in Pool	7	-2 500 000	0
Changes in other current balance sheet items		-1 350 799	0
Net cash flow from operating activities		<u>1 649 696</u>	<u>7 279 587</u>
Cash flow from investing activities			
Purchase of tangible fixed assets	3	-177 676	-230 176
Share capital reduction in Silent partnership		0	56 937 500
Sale of tangible non current assets		0	56 937 500
Net cash flow from investing activities		<u>-177 676</u>	<u>113 644 824</u>
Cash flow from financing activities			
Repayment of invested capital in Silent partnership		0	-56 937 500
Purchase of shares in partnership		0	-57 198 019
Repayment of long term loans		-4 141 091	-6 258 333
Net cash flow from financing activities		<u>-4 141 091</u>	<u>-120 393 852</u>
Cash and cash equivalents at Hassel Shipping 5 AS 01.01.			
		4 172	0
Net change in cash and cash equivalents		-2 664 899	530 559
Cash and cash equivalents at 01.01		<u>5 512 121</u>	<u>4 981 563</u>
Cash and cash equivalents at 31.12		<u>2 847 222</u>	<u>5 512 122</u>



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Hassel Shipping 2 AS

Notes to the accounts for 2020

Note - 1 Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting law. It is prepared using Norwegian accounting standards for other entities (NGAAP).

Company Structure

Hassel Shipping 2 AS is 100 % owned by JO Invest AS. The parent entity J.O. Invest AS is located in Bergen, Lars Hilles Gate 30, 5008 Bergen. The ultimate parent company is JO Odfjell AS. The consolidated accounts for JO Odfjell AS can be obtained at the offices in Lars Hilles Gate.

A Partnership was established 27th of September 2012 with Hassel Shipping 2 AS as the general partner. According to the partnership agreement, Hassel Shipping 2 AS has been responsible for the operation of Hassel 2 Shipping IS.

J.O. Invest AS has had 100% ownership of both partners Hassel Shipping 2 AS and the other owner of Hassel Shipping 2 IS, Hassel Shipping 5 AS.

In 2020 Hassel Shipping 2 AS and Hassel Shipping 5 AS were merged to one entity where Hassel Shipping 2 AS was the acquiring company. Subsequently, according to Norwegian legislation Hassel Shipping IS was liquidated, and hence the vessels are owned directly by Hassel Shipping 2 AS as of 2020. Since figures were presented separately for the group and parent entity in 2019, the financial prior period figures are presented separately where relevant in 2020.

The company has no employees and are not in position to have mandatory occupational pension scheme.

Revenue

Income and expenses related to ships voyages are accrued based on the number of days before and after the accounting period ends. A voyage is defined to start after discharging from the previous voyage.

Principles for assessment and classification of assets and liabilities

Assets intended for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets. Debtors due within one year are classified as current assets. For classification of current and long-term liabilities, the same criteria will apply.

Fixed assets are recorded at cost and are written down to fair value when the impairment is not expected to be transient. Fixed assets with a finite useful life are depreciated equally over the expected lifetime of the ships. Long-term debt is recognized at the nominal amount at the time of establishment. Long-term liabilities are not measured at fair value due to interest rate changes.

Current assets are valued at the lowest of cost prices and net market value. Current liabilities are recognized at the nominal amount at the time of establishment. Current liabilities are not measured at fair value due to interest rate changes.

Some items are valued according to other rules, as explained below.

Operating expenses ships

Ongoing maintenance and repair of ships is taken to the profit & loss account when maintenance or repair is performed. Periodical maintenance such as docking and upgrading is capitalized and amortized over 60 months, which is the expected period between each docking. Upgrading is depreciated over 10 years.



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Hassel Shipping 2 AS

Notes to the accounts for 2020

Currency

Transactions in foreign currencies are measured in and are recorded on initial recognition in USD at exchange rates approximating those ruling at the transaction dates.

Monetary items in foreign currencies are calculated at closing rate. Transactions during the year are recorded at exchange rates on transaction dates. Assets and liabilities that are hedged by forward exchange contracts are valued at exchange rates, excluding the interest element which is recognized and classified as interest income / expenses.

The accounts for 2020 has been prepared in U.S. dollars, due to the fact that the company receives its major part of income and costs in USD. The company's functional currency is U.S. dollars.

Fixed assets

Tangible assets are depreciated over estimated useful life. Depreciation is straight-line basis over the estimated economic life down to estimated residual value. Ordinary repairs and maintenance are expenses in the period on which they occur. Costs of major modifications and periodic maintenance of the vessels are capitalized and depreciated over 60 months.

Investment in subsidiaries

Investment in subsidiaries are included in the general partners' balance using the cost method.

Receivables

Receivables are recognized at nominal value less a provision for doubtful debts. Provisions for losses are based on an individual assessment of each receivable.

Taxes

The Company will remain within the Norwegian Tonnage Tax System. This means that income and expenses related to operation of vessels are tax free. Financial income and expenses are in principle taxable except for currency gain and loss on long-term receivables and liabilities which is the basis for calculating deferred taxes.

Tonnage tax is classified as other operating expenses and recorded as short term liabilities in the balance sheet.

Off-balance sheet assets and liabilities

Marketing, operations and management activities are carried out by other companies. Balance sheet items related to these activities (Cash, accounts receivable, accounts payable, etc.) are regarded as the ship owning company's risk and are presented as net receivable or payable to the management companies.

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 placement with original maturities of three months or less.



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Hassel Shipping 2 AS

Notes to the accounts for 2020

Note 2 - Benefits to employees, directors and auditors

The Company do not have any employees. No Board of Director-fees have been paid in 2020. The Company is not obliged to establish a pension scheme.

		General Partner	Partnership
<i>Auditor fee has been divided as follows</i>	2020	2019	2019
Statutory audit fee	19 894	13 556	25 349
Assurance services	49 365	4 263	4 262

VAT is not included in the figures of auditor's fee.

Note 3 - Tangible assets

Hassel Shipping 2 Partnership	Ships	Docking/ Upgrading	Total
Acquisition cost 01.01.	111 500 731	6 698 986	118 199 717
Purchased tangibles	0	177 676	177 676
Acquisition cost 31.12.	111 500 731	6 876 662	118 377 393
Acc.depreciation 31.12.	-35 912 838	-5 281 775	-41 194 613
Acc.write-downs 31.12.	-13 770 552	0	-13 770 552
Realization of Partnership**	-61 817 341	-1 594 887	-63 412 228
Net carrying amount at 31.12.	0	0	0

Depreciation for the year* 5 371 004 784 791 6 155 795

Useful economic life 20 år 5 år
Amortization plan Lineær Lineær

*Depreciation on docking is part of operating expenses.

Hassel Shipping 2 – General partner	Ships	Docking/ Upgrading	Total
Acquisition cost 01.01.	16 150 000	473 145	16 623 145
Purchased tangibles	0	177 676	177 676
Assets gained from realization of Partnership**	95 350 731	6 225 841	101 576 572
Acquisition cost 31.12.	111 500 731	6 876 662	118 377 393
Acc.depreciation 31.12.	-35 912 838	-5 281 775	-41 194 613
Acc.write-downs 31.12.	-13 770 552	0	-13 770 552
Net carrying amount at 31.12.	61 817 341	1 594 887	63 412 228

Depreciation for the year* 5 371 004 784 791 6 155 795

Useful economic life 20 år 5 år
Amortization plan Lineær Lineær



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Hassel Shipping 2 AS

Notes to the accounts for 2020

**Please refer note regarding merger with Hassel Shipping 5 AS below.

The product tankers are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of the vessels may not be recoverable. Management measures the recoverable amount of an asset by comparing its carrying amount to the higher of its fair value less costs of disposal or value in use that the asset is expected to generate over its remaining useful life.

Factors that indicates impairment which trigger impairment testing may be significant decline in product tanker freight rates, significant decline in market values of vessels, significant underperformance compared to projected operating results, change in strategy for the business, significant negative industry or economic trends etc.

For the determination of recoverable amount for the product tanker Jo Ask, Jo Pinari and Jo Rowan we have estimated the value in use. No further loss is recognized for these ships in 2020.

Note 4 - Other financial income

		General Partner	Partnership
	2020	2019	2019
Interest income bank and time deposits	16 250	63 674	63 674
Other interest income	918	98 242	98 242
Currency gains realized	11 703	0	0
Total	28 871	161 916	161 916

Note 5 - Other financial expenses

		General Partner	Partnership
	2020	2019	2019
Currency gain/losses	0	5 384	1 862
Interest to group companies	11 120	0	0
Bank charges and fees	2 240	276 290	276 418
Other financial expenses	273	810	810
Mortgage interests	1 407 937	2 153 603	2 153 603
Guarantee Commission*	103 229	0	0
Total	1 524 798	2 436 087	2 432 088

*Farvatn Capital AS is acting as guarantor for the mortgage in Sparebanken Vest. Please refer note below.



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Hassel Shipping 2 AS

Notes to the accounts for 2020

Note 6 - Due from and to other group companies

		General Partner	Partnership
<i>Receivables</i>	2020	2019	2019
Due from J.O. Invest AS (short-term)	224 286	224 286	224 286
Due from JO Odfjell AS (short-term)	0	44 296	44 296
Other short-term group receivables	141 724	3 599 726	3 599 726
Total	<u>366 010</u>	<u>3 868 308</u>	<u>3 868 308</u>
<i>Payables</i>	2020	2019	2019
Due to Farvatn Capital AS	103 229	0	0
Due to Hassel Shipping 2 DIS (short-term)		9 427 307	0
Due to J.O. Invest AS	0	1 362 058	1 362 058
Total	<u>103 229</u>	<u>10 789 365</u>	<u>1 362 058</u>

Note 7 - Other current assets

		General Partner	Partnership
	2020	2019	2019
Prepaid expenses	1 051 535	804 503	804 503
Accrued income	142 797	0	0
Prepaid working capital in Maersk and Straits pool agreements	2 500 000	0	0
Other current assets		297 723	297 723
Total	<u>3 694 332</u>	<u>1 102 226</u>	<u>1 102 226</u>

Note 8 - Merger with Hassel Shipping 5 AS

In 2020, Hassel Shipping 2 AS merged with its sister entity Hassel Shipping 5 AS (org.no 921 699 026). Both entities were owned 100% by J.O. Invest AS. The merger was carried out with accounting impact from 01.01.20.

In accordance with the Norwegian Accounting act § 7-2 the entity confirms that the group continuity principle has been used when preparing the merged financial statements for Hassel Shipping 2 AS. Hence, the consolidated figures for the group Hassel Shipping 2 has been used for the acquiring entity. Further, since the merger is between two wholly owned entities under J.O. Invest AS, there is no settlement related to the merger.

Hassel Shipping 5 AS' main business purpose was ownership of a share in Hassel Shipping 2 IS. The material asset of Hassel shipping 5 AS was the shares in Hassel Shipping 2 partnership. The entity was mainly financed through debt to Hassel Shipping 2 AS. The merger 2020 figures are shown including Hassel Shipping 5 AS. For Hassel Shipping 2, prior period figures are shown as if no merger has taken place, i.e. no change to comparable figures in prior period.



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Hassel Shipping 2 AS

Notes to the accounts for 2020

Note 9 - Equity

Hassel Shipping 2	Share capital	Share premium	Minority interests	Other equity	Total
Owners equity 01.01.	9 226	46 691 667	-5 401 420	-7 491 861	33 807 612
Hassel Shipping 5 AS at 01.01.20	3 417	967	0	-91 294	-86 910
Result 01.01-31.12.	0	0	0	316 787	316 787
Merger*	-3 417	3 417	5 401 420	-5 401 420	0
Other changes**	0	0	0	-3 508 644	-3 508 644
Owners equity 31.12.	9 226	46 696 051	0	-16 176 432	30 528 845

*J.O. Invest AS had 100% ownership of both partners in Hassel Shipping 2 IS; Hassel Shipping 2 AS and Hassel Shipping 5 AS. In 2020 Hassel Shipping 2 AS and Hassel Shipping 5 AS were merged to one entity where Hassel Shipping 2 AS was the acquiring company. Subsequently, according to Norwegian legislation Hassel Shipping IS was liquidated, and hence the vessels are owned directly by Hassel Shipping 2 AS as of 2020.

**As a consequence of the accounting method of the merger in accordance with NGAAP and accounting regulations, the merger was performed at continuity. Hassel Shipping 5 AS was included in the group accounts for Hassel Shipping 2. The material asset of Hassel Shipping 5 AS was ownership in the partnership of Hassel Shipping 2. Further, there was a debt of MUSD 3,5. Thus, no assets were added to the group. Therefore, the equity of the group has been reduced by a value approximately equal to the debt of Hassel Shipping 5 AS to Hassel Shipping 2 pr 31.12.2019.

Note 10 - Other current liabilities

	2020	General partner 2019	Partnership 2019
Tonnage tax	0	1	1
Prepaid charter hire	0	1 030 000	1 030 000
Mortgage interest payable	426 794	817 885	817 885
Mortgage payments due in 2020	3 750 000	180 000	180 000
Total	426 794	2 027 886	2 027 886



Hassel Shipping 2 AS

Notes to the accounts for 2020

Note 11 - Share capital and shareholder information

The share capital in Hassel Shipping 2 AS consists of 1 share class.

The share capital in Hassel Shipping 2 AS consists of 30 shares with a face value of Nok 2.100,- per share.

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
J.O.Invest AS	30	100 %	100 %

Note 12 - Operating result pr ship

Operating income and operating expenses	Jo Pinari	Jo Rowan	Jo Ask	Total
Gross freight Income	5 972 783	5 847 267	5 160 331	16 980 381
Voyage related expenses	303 279	326 223	180 845	810 347
Time-Charter result	5 669 503	5 521 044	4 979 486	16 170 033
Operating expenses	3 307 843	3 115 035	2 995 615	9 418 493
Operating result pr ship	2 361 660	2 406 008	1 983 871	6 751 539
Depreciation	2 059 737	2 096 268	1 215 000	5 371 005

Note 13 - Tax

Hassel Shipping 2 AS is presented for tax purposes both in 2019 and 2020, since this is the tax subject.

Numbers below are thus presented in NOK

	2020	2019
Interest income from Group Companies	1 131 781	853 853
Other financial income from investments	-218 824 810	0
Other interest income	0	571 607
Taxable currency gain/Deductable currency loss	4 696 371	-3 369 361
Gains from realization of investments	218 824 810	0
deductable interest	-2 671 086	-4 678 488
Share of profit in Partnership	-826 010	-444 200
Other financial costs	-883 995	-133 480
Taxable income	<u>1 447 061</u>	<u>-2 270 650</u>

Note 14 – Covid 19

Both the world, and Norwegian economy has been affected by the outbreak of Coronavirus (Covid-19). The entity expects the virus to have an effect on the entity's operations, liquidity, and financial results in the year. As of signing date, the extent and duration of the effects cannot be accurately predicted. The entity is monitoring the situation closely and will implement measures required to minimize adverse impact on operations and financial results.



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Hassel Shipping 2 AS

Notes to the accounts for 2020

Note 15 - Security for mortgage debt

<i>Security is set up for;</i>	2020	2019
Long-term mortgage	35 625 000	39 375 000

The loan has final maturity date in 2024.
Loan due after 5 years: USD 0

Hassel Shipping 2 AS has one loan facility as of year end 2020 for the vessels Jo Pinari, Jo Rowan and Jo Ask. The loan is guaranteed by the parent company, Farvatn Capital AS.

The total mortgage is USD 45 000 000. The loan term is 5 years from drawdown, while the loan profile is 12 years from drawdown.

Security for the loan in Sparebanken Vest is made through a first priority mortgage on the vessels (see below), insurances, assignment of charter contracts with remaining duration exceeding 12 months, pledge of earnings / debt service in relation to the vessels, and an On-demand guarantee from the guarantor (Farvatn Capital AS).

The entity is not in breach with any covenants as of balance sheet date.

Security for the loans is made through a first priority mortgage on the vessels (see below), income, related receivables, bankdeposits and shares.

Vessels (Jo Pinari, Jo Rowan, Jo Ask)	63 412 228	69 390 347
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HASSEL SHIPPING 2 AS ANNUAL REPORT FOR 2020

Hassel Shipping 2 AS (the "Company") was established 1st. January 2012 and is 100 % owned by JO Invest AS. The company owns two product tankers, and one chemical tanker. The Company operates from its office in Bergen. Its activities are related to ownership and operation of two product tankers and one chemical tanker.

Company structure

In 2012 a partnership was established where Hassel Shipping 2 AS was the general partner. The partnership was named Hassel Shipping 2 IS. The partnership originally owned four product tankers, but in January 2019 two of the vessels were sold.

After January 2019, J.O. Invest AS has had 100% ownership of both partners Hassel Shipping 2 AS and Hassel Shipping 5 AS. At January 1 2020, Hassel Shipping 2 AS and Hassel Shipping 5 AS were merged to one entity where Hassel Shipping 2 AS was the acquiring company. Subsequently, according to Norwegian legislation Hassel Shipping IS was liquidated, and hence the vessels are owned directly by Hassel Shipping 2 AS as of 2020.

Profit & loss account

This year's profit and loss accounts are compared with last year's consolidated results.

The Company's turnover increased from MUSD 16.0 in 2019 to MUSD 17.6 in 2020. Net result for 2020 was positive with MUSD 0.3, compared with a negative result of MUSD -4.2 in 2019.

Total cash flow from operating activities was MUSD 1.6 in 2020 and the operating profit constituted MUSD 1.8.

The Company expects that the above investments will ensure that the Company will have a good performance in the coming years.

Balance sheet and liquidity

This year's balance is compared with last year's consolidated balance.

The Company's cash reserves were MUSD 2.8 per 31.12.2020, compared to MUSD 5.5 per 31.12.19.

The Company's short-term debt as of 31.12.2020 constituted 12,3 % of the Company's total debt, compared to 16,7 % as of 31.12.2019. The company's financial position is sound and sufficient to settle short-term debt as of 31.12.2020 with the company's most liquid assets.

The company is not in breach with any covenants as of balance sheet date.

The Company's financial structure and long-term liquidity position is satisfactory.

The Company's equity per 31.12.2020 is MUSD 30.5 compared to MUSD 33.8 per 31.12.2019.

Total assets at the end of the year were MUSD 71.0 compared to MUSD 81.1 per 31.12.2019. Equity ratio per 31.12.20 was 43%, compared to 41% as per 31.12.2019.



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Financial risk

There are no agreements or other financial instruments to minimize the credit risk of the Company. The company is capitalized through long term liabilities from external parties, and the financial risk is therefor considered as low.

The profit and loss accounts show a net result of MUSD 0.3. The Board proposes to transfer the profit to other equity.

Research and development

The Company did not have any expenses related to research and development.

Working environment, equality between men and woman and discrimination:

The company has no employees but has two board members (both men). There is thus no reason for specific measures relating to working environment, equality or discrimination.

Environment

The Company's ships were operated commercially and technically by Nyhill Shipping AS. The ships were operated by regulations and laws laid down by the authorities, classification societies and customers.

The company is committed to a high technical standard to prevent the ships inflicting harm on the environment. The risk of emissions is therefore reduced to a minimum. The company ships had no incidents related to emissions in 2020.

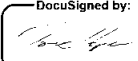
General

Both the world, and Norwegian economy has been affected by the outbreak of Coronavirus (Covid-19). The entity expects the virus to have an effect on the entity's operations, liquidity, and financial results in the year. As of signing date, the extent and duration of the effects cannot be accurately predicted. The entity is monitoring the situation closely and will implement measures required to minimize adverse impact on operations and financial results.

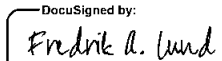
The Board considers that the annual financial statements and notes present a true picture of the company's operations in 2020 and the position at year-end.

In accordance with the Accounting Act § 3-3a the Board confirms that the going concern assumption is present. The assumption is that the company is in a healthy financial position.

Bergen, 15th June 2021

DocuSigned by:

42F098DA2E7B41A.....

Tore Hopen
Chairman of the Board

DocuSigned by:

D0849E204497427.....

Fredrik A. Lund
Board member



Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, NO-5006 Bergen
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Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Hassel Shipping 2 AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Hassel Shipping 2 AS, which comprise the balance sheet as at 31 December 2020, 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 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 (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.

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, and 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.

Independent auditor's report - Hassel Shipping 2 AS

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: 0350Q-GJTY-XFNN6-W221M-X3VF7-7PZM



Bergen, 15 June 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Øyvind Nore
State Authorised Public Accountant (Norway)

Pemso Dokumentnøkkel: 0350Q-GJTY-XFNN6-W221M-X3VF7-7PZM

Independent auditor's report - Hassel Shipping 2 AS

A member firm of Ernst & Young Global Limited



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Øyvind Nore

Oppdragsansvarlig partner

På vegne av: Ernst & Young AS

Serienummer: 9578-5994-4-485745

IP: 88.90.xxx.xxx

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Øyvind Nore

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5994-4-485745

IP: 88.90.xxx.xxx

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Skattedirektoratet

Saksbehandler
Foretaksrådgiver Helene Lind

Deres dato
04.01.2013

Vår dato
05.03.2013

Telefon
22078139

Deres referanse
Arno Hovland

Vår referanse
2013/95046

J. O. INVEST AS
Postboks 43
5863 BERGEN

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 4. januar 2013 samt telefonsamtale i sakens anledning. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk følgende selskaper;

J. O. Invest AS,	org. nr. 989 478 524
Skibs AS Hassel,	org. nr. 829 543 702
Hassel Shipping 1 AS,	org. nr. 998 170 605
Hassel Shipping 2 AS,	org. nr. 998 170 632
Hassel Shipping 3 AS,	org. nr. 998 170 672
Marabu Shipping Holding AS,	org. nr. 998 162 173

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper 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.

Bakgrunn

J. O. Invest AS er eiet av Johan Odvar Odjell. J. O. Invest AS er morselskap for de overnevnte selskaper. Konsernet driver med rederi- og stippingvirksomhet. All den operative driften foregår i utlandet. Dette er en internasjonal bransje og alle sentrale aktører og samarbeidspartnere behersker og bonytter engelsk. Arbeidsspråket er engelsk og all intern rapportering skjer på dette språket. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

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:

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0134 Oslo
For elektronisk henvendelse se www.skatteetaten.no

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Se www.skatteetaten.no
Org.nr. 90620318

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