



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 992 683 511  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: WESTFAL-LARSEN SHIPPING AS  
Forretningsadresse: Fabrikkgaten 6  
5059 BERGEN

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: 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: Linda Nielsen Herfindal  
Dato for fastsettelse av årsregnskapet: 21.04.2021

### 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, 22.07.2022



## Resultatregnskap

Beløp i: USD	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	10, 11	62 688 606	63 539 324
Annen driftsinntekt	10,5, 10		21 677
<b>Sum inntekter</b>		<b>62 688 607</b>	<b>63 561 001</b>
<b>Kostnader</b>			
Varekostnad		61 906 827	62 817 702
Annen driftskostnad	3	729 034	687 803
<b>Sum kostnader</b>		<b>729 034</b>	<b>687 803</b>
<b>Driftsresultat</b>		<b>52 746</b>	<b>55 496</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		2 670	16 467
Annen finansinntekt		29 921	11 695
<b>Sum finansinntekter</b>		<b>0</b>	<b>0</b>
<b>Sum finanskostnader</b>		<b>-20 319</b>	<b>-14 031</b>
<b>Netto finans</b>		<b>12 273</b>	<b>14 131</b>
<b>Ordinært resultat før skattekostnad</b>		<b>65 019</b>	<b>69 627</b>
Skattekostnad på ordinært resultat	4	1 761	781
<b>Ordinært resultat etter skattekostnad</b>		<b>63 258</b>	<b>68 846</b>
<b>Årsresultat</b>		<b>0</b>	<b>0</b>



## Balanse

Beløp i: USD	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	4		1 762
<b>Sum immaterielle eiendeler</b>		<b>0</b>	<b>1 762</b>
<b>Varige driftsmidler</b>			
<b>Sum varige driftsmidler</b>		<b>0</b>	<b>0</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	2	278 618	278 618
Lån til foretak i samme konsern	8	6 114 665	4 681 911
<b>Sum finansielle anleggsmidler</b>		<b>6 393 283</b>	<b>4 960 529</b>
<b>Sum anleggsmidler</b>		<b>6 393 283</b>	<b>4 962 291</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>		<b>0</b>	<b>0</b>
<b>Fordringer</b>			
Kundefordringer	8	1 577 221	1 699 640
Konsernfordringer	10	961 832	4 039 133
<b>Sum fordringer</b>		<b>2 539 053</b>	<b>5 738 773</b>
<b>Investeringer</b>			
<b>Sum investeringer</b>		<b>0</b>	<b>0</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	9	355 909	56 564
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>355 909</b>	<b>56 564</b>
<b>Sum omløpsmidler</b>		<b>2 894 962</b>	<b>5 795 337</b>
<b>SUM EIENDELER</b>		<b>9 288 245</b>	<b>10 757 627</b>



## Balanse

Beløp i: USD	Note	2020	2019
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	6, 7	6 446 784	6 446 784
Annen innskutt egenkapital	7	804 668	804 668
<b>Sum innskutt egenkapital</b>		<b>7 251 452</b>	<b>7 251 452</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	7	583 571	520 312
<b>Sum opptjent egenkapital</b>		<b>583 571</b>	<b>520 312</b>
<b>Sum egenkapital</b>		<b>7 835 023</b>	<b>7 771 764</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Sum avsetninger for forpliktelser</b>		<b>0</b>	<b>0</b>
<b>Annen langsiktig gjeld</b>			
Øvrig langsiktig gjeld	10	157 255	157 255
<b>Sum annen langsiktig gjeld</b>		<b>157 255</b>	<b>157 255</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		30 556	25 045
Skyldige offentlige avgifter		1 065 052	811 220
Kortsiktig konserngjeld	8	200 000	1 976 285
Annen kortsiktig gjeld		361	16 059
<b>Sum kortsiktig gjeld</b>		<b>1 295 969</b>	<b>2 828 609</b>
<b>Sum gjeld</b>		<b>1 453 223</b>	<b>2 985 864</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>9 288 246</b>	<b>10 757 627</b>



**Skattedirektoratet**

Saksbehandler Torstein Kinden Helleland	Deres dato 22.02.2010	Vår dato 11.08.2010
Telefon 22078139	Deres referanse Rune Skele	Vår referanse 2010/208902

ERNST & YOUNG AS  
Oslo Atrium Postboks 20  
0051 OSLO

**Søknad om tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Westfal-Larsen Shipping AS, org. nr. 992 683 511**

Det vises til Deres brev av 22. februar 2010 samt telefonsamtaler i sakens anledning. De søker om tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk på vegne av Westfal-Larsen Shipping AS.

**Bakgrunn**

Westfal-Larsen Shipping AS er eid av Master Bulk Ltd som er hjemmehørende i Singapore. Dette selskapet er i det vesentlige eid av det norske selskapet Armadora AS. Armadora AS er eid av norske holdingselskaper. Aksjonærstrukturen er således begrenset og aksjonærene ønsker at engelsk språk benyttes. Styret består delvis av ikke norsk språklige medlemmer. Selskapet driver virksomhet innen internasjonal shipping og har engelsk som arbeidsspråk. De aller fleste av selskapenes kunder, leverandører og andre brukere av regnskapet har engelsk som sitt naturlige språk.

Selskapene må derfor i dag utarbeide alle regnskaper både på norsk og engelsk. Denne praksisen innebærer en vesentlig kostnad uten at man ser noen synlig nytte av den norske versjonen. Det søkes derfor om dispensasjon.

**Skattedirektoratets vurdering og konklusjon**

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

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

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

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse Fredrik Selmers vei 4 Org. nr. 974761076	Sentralbord 800 80 000 Telefaks 22 17 08 60
skattedirektoratet@skatteetaten.no		



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. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som sentrale verktøy i sin kontrollvirksomhet.


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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det fremgår av søknaden at selskapet har en begrenset aksjonærstruktur og aksjonærene ønsker at engelsk språk benyttes. Styret er også internasjonale sammensatt. Selskapet opererer inne en bransje med sterk internasjonal karakter og arbeidsspråket er engelsk. Alle sentrale aktører innen bransjen selskapet driver, antas å måtte beherske og benytte engelsk språk.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering Westfai-Larsen Shipping AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet, og at øvrige opplysninger som vedtaket baserer seg på ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

  
Jan Hoelstad  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

  
Torstein Kinden Helleland



Admincontrol

## List of Signatures Page 1/1

### Westfal-Larsen Shipping AS Årsoppgjør rapport 2020.pdf

Name	Method	Signed at
Muller, Bernt Ulrich A	BANKID_MOBILE	2021-05-26 12:25 GMT+02
Berge, Petter	BANKID	2021-05-26 11:57 GMT+02
Voraa, Bente Helen Sørbøe	BANKID	2021-05-26 11:01 GMT+02



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**Annual report 2020**

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**Westfal-Larsen Shipping AS**  
**2020**

Board of directors' report

Annual accounts

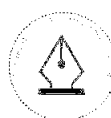
- Profit and loss account 01.01.-31.12.
- Balance sheet
- Cash flow statement
- Notes

Auditors' report

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Westfal-Larsen Shipping AS

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## The Board of Directors' Annual Report 2020

Westfal-Larsen Shipping AS was formally registered in 2008. The company's main business activity is to provide vessels to the shipping pool managed by Saga Welco AS. The head office is situated in Bergen, Norway, with one subsidiary in Rio de Janeiro, Brazil.

### Shareholders

The share capital is USD 6 446 783.33. The company is 100% owned by Armadora AS.

### The working environment and employees

The company has no employees by end of year. The number of man-year in 2020 is 0,83.

### External environment

The general nature of the activity, deep sea shipping, involves risk of polluting the environment. The company strives to reduce the risk by operating vessels, which fully comply with all international codes, regulations and standards

### Year-end disposals

The Profit and Loss Account for 2020 shows an operating income of USD 52.747 (operating income of USD 55.496 in 2019), and net income after tax of USD 63.258 (net income of USD 68.846 in 2019). The Board proposes the following disposal:

Transferred to Other equity:	<u>USD</u>	<u>63.258</u>
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In the opinion of the Board of Directors, the financial position of the company is satisfactory. The company had liquid assets equivalent to USD 355.909 at the end of the year (USD 56.564 at the same time in 2019). The cash flow in the company has been negative through the year. The book equity ratio was 84,3%.

There have not been any events since the end of the financial year other than as described above or stated in the financial statements and accompanying notes which are of importance in the evaluation of the company.

In the opinion of the Board of Directors, the submitted balance sheet and accompanying notes provide comprehensive information about the operation and status of the company as per year end 2020. In conformity with the rules of the Accounting Act, it is certified that the annual report is prepared under the assumption of continued operation.

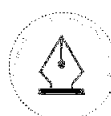
Bergen, 26.05.2021

Board of Westfal-Larsen Shipping AS

\_\_\_\_\_  
Ulrich Müller  
Chairman of the Board/  
General manager

\_\_\_\_\_  
BenteHelen Voraa  
Board member

\_\_\_\_\_  
Petter Berge  
Board member



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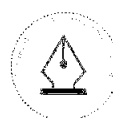


## Profit and loss account 01.01-31.12

### Westfal-Larsen Shipping AS

USD	Note	2020	2019
Operating revenue	10, 11	62 688 606	63 539 324
Other operating revenue	10	0	28 631
Operating expenses	5, 10	<u>0</u>	<u>6 954</u>
<b>Gross operating income</b>		<b><u>62 688 607</u></b>	<b><u>63 561 001</u></b>
Distributed T/C hire to participating vessels		<u>61 906 827</u>	<u>62 817 702</u>
Other operating expenses	3	<u>729 034</u>	<u>687 803</u>
<b>Total administration expenses</b>		<b><u>729 034</u></b>	<b><u>687 803</u></b>
<b>Operating income</b>		<b><u>52 746</u></b>	<b><u>55 496</u></b>
Interest received		2 670	16 467
Financial income		29 921	11 695
Realised currency gains/(losses)		<u>-20 319</u>	<u>-14 031</u>
<b>Net financial items</b>		<b><u>12 273</u></b>	<b><u>14 131</u></b>
<b>Income before tax</b>		<b><u>65 019</u></b>	<b><u>69 627</u></b>
Tax on ordinary result	4	<u>1 761</u>	<u>781</u>
<b>Net income</b>		<b><u>63 258</u></b>	<b><u>68 846</u></b>

Westfal-Larsen Shipping AS



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## Balance sheet as of December 31

### Westfal-Larsen Shipping AS

USD	Note	2020	2019
<b>ASSETS</b>			
Deferred tax assets	4	<u>0</u>	<u>1 762</u>
<b>Total intangible assets</b>		<u>0</u>	<u>1 762</u>
Investments in subsidiaries	2	278 618	278 618
Long-term loan to group companies	8	<u>6 114 665</u>	<u>4 681 911</u>
<b>Total financial assets</b>		<u>6 393 283</u>	<u>4 960 529</u>
<b>Total fixed assets</b>		<u>6 393 283</u>	<u>4 962 291</u>
Accounts receivable/ocean freight	8	1 577 221	1 699 640
Working capital Saga Welco Pool	10	<u>961 832</u>	<u>4 039 133</u>
<b>Total debtors</b>		<u>2 539 053</u>	<u>5 738 773</u>
Cash and cash equivalents	9	<u>355 909</u>	<u>56 564</u>
<b>Total current assets</b>		<u>2 894 962</u>	<u>5 795 337</u>
<b>Total assets</b>		<u>9 288 245</u>	<u>10 757 627</u>

Westfal-Larsen Shipping AS



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## Balance sheet as of December 31

### Westfal-Larsen Shipping AS

USD	Note	2020	2019
<b>EQUITY AND LIABILITIES</b>			
Share capital	6, 7	6 446 784	6 446 784
Other paid-in capital	7	<u>804 668</u>	<u>804 668</u>
<b>Total paid-in capital</b>		<b><u>7 251 452</u></b>	<b><u>7 251 452</u></b>
Other equity	7	<u>583 571</u>	<u>520 312</u>
<b>Total retained earnings</b>		<b><u>583 571</u></b>	<b><u>520 312</u></b>
<b>Total equity</b>		<b><u>7 835 023</u></b>	<b><u>7 771 764</u></b>
Other long-term liabilities	10	<u>157 255</u>	<u>157 255</u>
<b>Total long-term liabilities</b>		<b><u>157 255</u></b>	<b><u>157 255</u></b>
Accounts payable		30 556	25 045
Other accrued operating cost		1 065 052	811 220
Current liabilities T/C Owners	8	200 000	1 976 285
Accrued voyage related expenses		<u>361</u>	<u>16 059</u>
<b>Total current liabilities</b>		<b><u>1 295 969</u></b>	<b><u>2 828 609</u></b>
<b>Total liabilities</b>		<b><u>1 453 223</u></b>	<b><u>2 985 864</u></b>
<b>Total equity and liabilities</b>		<b><u>9 288 246</u></b>	<b><u>10 757 627</u></b>

Bergen, 26.05.2021  
Board of Westfal-Larsen Shipping AS

Ulrich Müller  
Chairman/ General manager

Bente Helen Sørbye Voraa  
Board member

Petter Berge  
Board member

Westfal-Larsen Shipping AS



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## Cash flow statement 01.01 -31.12

### Westfal-Larsen Shipping AS

USD

	2020	2019
<b>Cash flow from operational activities</b>		
Profit/(loss) for the year before tax	65 019	69 627
Reduction (increase) in current assets	1 604 744	-1 358 506
Increase (reduction) in short-term liabilities	-1 400 419	464 522
Changes in other accrual accounting items	30 000	93 870
<b>Net cash flow from operational activities</b>	<b>299 344</b>	<b>-730 488</b>
<b>Cash flow from investment activities</b>	<b>0</b>	<b>0</b>
<b>Cash flow from financing activities</b>		
Payment of long-term loan to group company	-3 077 301	-7 003 317
Repayment of working capital	3 077 301	7 003 317
<b>Net cash flow from financing activities</b>	<b>0</b>	<b>0</b>
<b>Net change in cash and cash equivalents</b>	<b>299 344</b>	<b>-730 488</b>
Cash and cash equivalents at 01.01	56 564	787 052
<b>Cash and cash equivalents at 31.12</b>	<b>355 909</b>	<b>56 564</b>

Westfal-Larsen Shipping AS



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## Notes to the accounts for 2020

USD

### Note - 1 Accounting Principles

The financial statements are prepared in accordance with The Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway. The company's accounts are part of the consolidated accounts for Skipsaktieselskapet Navigation Co. Ltd., Bergen.

The accounting principles are described below.

#### Freight revenue and voyage related expenses

Revenues and expenses related to voyages of vessels are accrued on the basis of the number of days the voyage lasted in the fiscal period. The share of sales revenue associated with future service is recorded in the balance sheet as deferred sales revenue, and is recognized as revenue at the time of execution.

#### Main rule for valuation and classification of assets and liabilities

Assets meant for permanent ownership or use in the business is classified as fixed assets. Other assets are classified as current assets. Accounts receivables, which fall due for payment within one year, are classified as current assets. The classification of current liabilities is based on the same criteria.

Fixed assets are valued at cost, but are written down if a permanent deterioration in value has occurred. If the basis for the deterioration in value disappears the write-off will be reversed. Fixed assets are depreciated in accordance with a reasonable depreciation plan if their useful life is limited. If carrying value of a non current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount.

Current assets are valued at the lower of cost and net realizable value. The classification of current liabilities is based on the same criteria.

#### Foreign exchange

The company accounts and reports in USD, as USD is the functional currency in the company. Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into USD using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into USD 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. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

#### Shares in subsidiaries

Investments in subsidiaries are valued at cost in the balance sheet.

#### Receivables

Accounts receivable and other receivables are recorded at their nominal value less provisions for bad debt. Provisions for bad debts are made after evaluation of the individual claims.



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## Income tax

The tax expense in the profit and loss account consists of both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated as 22 percent of temporary differences between accounting profit and taxable profit considering the tax effect of former operating losses. Temporary differences, both positive and negative, are offset within the same period. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

## Cash flow statement

The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash and bank balances.



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## Note 2 Subsidiaries

USD

Westfal-Larsen Shipping do Brasil Comercio Maritimo Ltda Rio de Janeiro, Brasil 99,99%

The subsidiary is accounted for using the cost method, see table below:

		Westfal-Larsen Shipping Brasil	Total
Shares at historic cost		278 618	278 618
Opening balance	01.01.2020	278 618	278 618
Closing balance	31.12.2020	278 618	278 618
Current year's net income/loss	BRC 32 767		
Total Equity 31.12.	BRC 809 616		

## Note 3 Administration costs

NOK

Employees

The company has no employees per end of year and is not obliged to have a service pension under the

Act relating to Mandatory Service Pension. Number of man-year in 2020 is 0.83.

Payroll cost

	2020	2019
Salaries	1 607 172	0
Social security tax	361 507	0
Pension costs	0	0
Other benefits	882 474	0
<b>Total</b>	<b>2 851 153</b>	<b>0</b>

USD

Remuneration

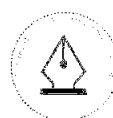
	General manager	Board of Directors
Other remuneration	0	0

Salary to general manager is paid from Westfal-Larsen Group Resources AS. A share of this cost is included in the administration expenses.

Auditor fee has been divided as follows:

	2020	2019
Statutory audit fee	8 770	10 693
Consulting fees	0	0
Other services	234	267
<b>Total</b>	<b>9 004</b>	<b>10 960</b>

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



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## Note 4 Taxes

USD

The company's taxes are calculated on the basis on the net result before taxes in NOK. Taxes calculated in NOK are based on the USD/ NOK exchange rate on 31. December.

Income tax expense

	2020	2019
Change in deferred tax/ tax assets	1 761	781
<b>Total income tax expense</b>	<b>1 761</b>	<b>781</b>

Tax base calculation

Ordinary result before tax	-261 677	147 696
Permanent differences	0	0
Taxable profit(loss) from general partnership-company	-867 118	-7 151 636
Group contribution-taxable	0	0
Change in temporary differences	1 128 795	7 003 940
<b>Tax base</b>	<b>0</b>	<b>0</b>

Tempory differences outlined

Non current assets	0	-8 007
Subsidiaries	-76 906	-74 737
Tax losses carried forward	-14 724 181	-13 211 848
<b>Total</b>	<b>-14 801 087</b>	<b>-13 294 592</b>

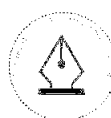
Deferred tax assets 22%	-3 256 238	-2 924 810
Deferred tax assets not recognised in the balance sheet	3 256 238	2 923 048
<b>Deferred tax/ Deferred tax assets</b>	<b>0</b>	<b>-1 762</b>

There is not accounted deferred tax or deferred tax assets related to tax losses carried forward or shares in subsidiaries.

## Note 5 Contingency

USD

Westfal-Larsen Shipping AS and its subsidiaries may from time to time be subject to claims and legal proceedings brought against them in the normal course of business. Such matters are subject to many uncertainties. Management believes that adequate provisions have been made in the accounts where required and the ultimate resolution of such contingencies will not have a material adverse effect on the financial position of the Company and its subsidiaries.



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## Note 6 Share capital and shareholder information

USD

Share capital:

	Number of shares	Face value	Book value
Armadora AS	1 000	7.772.137	7.772.137

The face value in NOK is NOK 71.814.516

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
Armadora AS	1 000	100 %	100 %

## Note 7 Owners equity

USD

	Share capital	Other paid-in capital	Other equity	Total
Owners equity 01.01.	6 446 784	804 668	520 314	7 771 766
Profit for the year			63	63 258
			258	
Owners equity 31.12.	6 446 784	804 668	583 572	7 835 024

## Note 8 Intercompany balance group company

USD

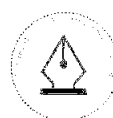
Receivables

	2020	2019
Skibsaktieselskapet Navigation Co Ltd.	4 103	6 833
Westfal-Larsen Group Resources AS	1 496	0
Masterbulk AS	6 901 679	0
<b>Total</b>	<b>6 907 278</b>	<b>6 833</b>

USD

Payables

	2020	2019
Masterbulk Pte. Ltd	0	774 937
Masterbulk AS	200 000	0
<b>Total</b>	<b>200 000</b>	<b>774 937</b>



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## Note 9 Escrow bank deposits

Escrow bank account is NOK 604.212 equivalent USD 70.813.

## Note 10 Transactions with associated companies

USD

### Revenues

	2020	2019
Saga Welco AS-freight	-62 688 606	-63 539 324
<b>Total</b>	<b>-62 688 606</b>	<b>-63 539 324</b>

### T/C hire

Masterbulk Pte. Ltd.	4 961 182	62 768 064
Masterbulk AS	56 945 645	456 329
<b>Total</b>	<b>61 906 827</b>	<b>63 224 393</b>

### Administration costs

Westfal-Larsen Group Resources AS	93 547	96 471
<b>Total</b>	<b>93 547</b>	<b>96 471</b>

### Payment of long-term loan

Masterbulk Pte. Ltd.	2 441 898	6 959 342
Masterbulk AS	635 403	43 975
<b>Total</b>	<b>3 077 301</b>	<b>7 003 317</b>

### Repayment of working capital

Saga Welco AS	3 077 301	7 003 317
<b>Total</b>	<b>3 077 301</b>	<b>7 003 317</b>

Armadora AS is the parent company. Masterbulk AS is an affiliate and the owner of 12 vessels and lessee of 4 vessels.

Westfal-Larsen Group Resources AS provides administrative services.

Saga Welco AS is an associated company and has the operating responsibility for 16 vessels.



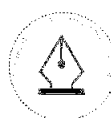
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**Note 11 Events after balance sheet day**

At the time of writing, there is a high degree of uncertainty related to the impact of the COVID-19 virus outbreak. However, for the time being we do not expect that this will have a substantial negative impact on the company as the company only performs administrative services to the shipowning companies. No other circumstances have arisen since the end of the financial year other than those described above which are of significance to the assessment of the company and which are not disclosed in the annual accounts and the accompanying notes.



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Ernst & Young AS

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Medlemmer av Den norske revisorforening

## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Westfal - Larsen Shipping AS

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Westfal- Larsen Shipping AS, which comprise the balance sheet as at 31 December 2020, the income statement, statements of cash flows and changes in equity 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, 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 - Westfal- Larsen Shipping AS

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: 57QP6-YMDL7-WXVHV-06VY4-BOAHL-MGDUP



## 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 May 2021  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Eirik Moe  
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: 57QPG-YMDL7-WXVHV-06VY4-BOAHL-MGDUP



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## Eirik Moe

Oppdragsansvarlig partner

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