



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Terje Iversen
Dato for fastsettelse av årsregnskapet: 18.06.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

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, 19.08.2021



Resultatregnskap

Beløp i: USD	Note	2019	2018
RESULTATREGNSKAP			
Kostnader			
Administration expenses	7	55 280	416 955
Sum kostnader		55 280	416 955
Driftsresultat		-55 280	-416 955
Finansinntekter og finanskostnader			
Interest income		438 586	360 846
Sum finansinntekter		438 586	360 846
Impairment shares	2	0	116 400 000
Other financial income		0	6
Currency gain (loss)		0	-20 210
Sum finanskostnader		0	116 379 796
Netto finans		438 586	-116 018 950
Ordinært resultat før skattekostnad		383 306	-116 435 905
Taxes payable	4	82 777	0
Change in deferred taxes	4	13 129	55 658
Ordinært resultat etter skattekostnad		287 400	-116 491 563
Årsresultat		287 400	-116 491 563



Balanse

Beløp i: USD	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Shares in subsidiaries	2	319 850 000	319 850 000
Loans to companies in the same Group	3	6 064 757	6 047 923
Sum finansielle anleggsmidler		325 914 757	325 897 923
Sum anleggsmidler		325 914 757	325 897 923
Omløpsmidler			
Varer			
Fordringer			
Pre-paid expenses		27 117	53 351
Sum fordringer		27 117	53 351
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents		366 855	396 049
Sum bankinnskudd, kontanter og lignende		366 855	396 049
Sum omløpsmidler		393 972	449 400
SUM EIENDELER		326 308 729	326 347 323
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	5,6	441 262 000	441 262 000
Share premium	5	2 660 124	2 953 608
Sum innskutt egenkapital		443 922 124	444 215 608
Opptjent egenkapital			



Balanse

Beløp i: USD	Note	2019	2018
Uncovered loss	5	-118 271 066	-118 558 466
Sum opptjent egenkapital		-118 271 066	-118 558 466
Sum egenkapital		325 651 058	325 657 142
Gjeld			
Langsiktig gjeld			
Deferred tax liabilities	4	281 410	268 281
Sum avsetninger for forpliktelser		281 410	268 281
Annen langsiktig gjeld			
Sum langsiktig gjeld		281 410	268 281
Kortsiktig gjeld			
Company taxes payable	4	0	0
Debt to company in the same Group	3	376 261	414 217
Other current liabilities		0	7 683
Sum kortsiktig gjeld		376 261	421 900
Sum gjeld		657 671	690 181
SUM EGENKAPITAL OG GJELD		326 308 729	326 347 323



Skatteetaten

Vår dato
20.03.2019

Din/Deres dato
03.01.2019

Saksbehandler
Henning Stokke

800 80 000
Skatteetaten.no

Din/Deres referanse
Lars Førde

Telefon
800 80 800

Org.nr
974761076

Vår referanse
2019/5218893

Postadresse
Postboks 9200 Grønland
0134 OSLO

ODFJELL SE
Postboks 6101
5892 BERGEN

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

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

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

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

Bakgrunn

Fra søknad av 3. januar 2019 gjengis:

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

Fra søknad av 29. oktober 2018 gjengis:

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

Skattedirektoratets vurdering

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



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

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

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

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

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

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Juridisk avdeling
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



ODFJELL CHEMICAL TANKERS LTD.

FINANCIAL STATEMENT 1/1-31/12 2019

Bergen, 18 / 6 2020



Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, NO-5006 Bergen
Postboks 6163, NO-5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00
Fax: +47 55 21 30 01

www.ey.no
Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Odfjell Chemical Tankers Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Odfjell Chemical Tankers Ltd., which comprise the balance sheet as at 31 December 2019, 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 2019 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 on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

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

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

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.

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 - Odfjell Chemical Tankers Ltd.

A member firm of Ernst & Young Global Limited



Bergen, 18 June 2020
ERNST & YOUNG AS

Jørn Knutsen
State Authorised Public Accountant (Norway)

Independent auditor's report - Odjell Chemical Tankers Ltd.

A member firm of Ernst & Young Global Limited



ODFJELL CHEMICAL TANKERS LTD.

The Directors' Report for year 2019

Operations and locations

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

The company is located at Bermuda.

Going concern

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

An envisaged restructuring might be carried out in the course of 2020 whereby the Company will be part of a tax neutral merger with a Norwegian subsidiary of Odfjell SE. Technically such merger will entail the formal liquidation of the Company. If such restructuring is decided upon, liquidation of the Company will expectedly happen ultimo 2020.

Comments related to the financial statements

Net result after tax is 0.3 mill for 2019, compared to negative USD 116.5 mill in 2018. The negative result in 2018 was influenced by impairment of shares to the amount of USD 116.4 mill.

While the company does not have its own operations, it is indirectly affected by the Covid-19 outbreak through its ownership in Odfjell Asia II Pte Ltd. Refer to note 8 and the subsidiary's separate financial statements for additional information on the impact of these events.

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

Financial risk

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

Staff, discrimination and environment reports

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

Research and development activities

The company has currently no ongoing research or development activities.

Environmental report

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

Allocation of net result

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



<u>Net result</u>	<u>USD 287 399</u>
Net result allocated to uncovered loss	USD 287 399

Bergen, 10 / 6 2020

The Board of Directors of Odfjell Chemical Tankers Ltd


Harald Fotland
Chairman of the Board


Terje Iversen
Member of the Board



ODFJELL CHEMICAL TANKERS LTD.

(Figures in USD)

RESULT	NOTE	2019	2018
Operating income (expenses):			
Administration expenses	7	(55 280)	(416 955)
Operating result		(55 280)	(416 955)
Finance income (expenses):			
Interest income		438 586	360 846
Impairment shares	2	-	(116 400 000)
Other financial income (expenses)		-	(6)
Currency gain (loss)		-	20 210
Net finance items		438 586	(116 018 949)
Result before taxes		383 306	(116 435 904)
Taxes payable	4	(82 777)	-
Changes in deferred taxes	4	(13 129)	(55 658)
Total taxes		(95 907)	(55 658)
Net result		287 399	(116 491 562)



ODFJELL CHEMICAL TANKERS LTD.

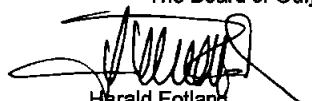
(Figures in USD)

STATEMENT OF FINANCIAL POSITION	Note	2019	2018
ASSETS:			
Non-current assets			
Shares in subsidiaries	2	319 850 000	319 850 000
Loan to companies in the same Group	3	6 064 757	6 047 923
Total non-current assets		325 914 757	325 897 923
Current assets:			
Pre paid expenses		27 117	53 351
Cash and cash equivalents		366 855	396 049
Total current assets		393 972	449 400
Total assets		326 308 729	326 347 323


LIABILITIES AND EQUITY:			
Sharecapital	5,6	441 262 000	441 262 000
Share premium	5	2 660 124	2 953 608
Total paid in equity		443 922 124	444 215 608
Uncovered loss	5	(118 271 066)	(118 558 466)
Total equity		325 651 058	325 657 142
Non-current liabilities			
Deferred tax liabilities	4	281 410	268 281
Total non-current liabilities		281 410	268 281
Current liabilities			
Company taxes payable	4	-	-
Debt to company in the same Group	3	376 261	414 217
Other current liabilities		-	7 683
Total current liabilities		376 261	421 900
Total liabilities		657 671	690 181
Total equity and liabilities		326 308 729	326 347 323

Bergen, 18/6 2020

The Board of Odfjell Chemical Tankers Ltd.



Harald Fotland
Chairman



Terje Iversen
Boardmember



ODFJELL CHEMICAL TANKERS LTD.

**CASH FLOW STATEMENT
(USD)**

Cash flow operating activities:	2019	2018
Result before taxes	383 306	(116 435 904)
Impairment of shares	-	116 400 000
Changes in currency	-	(20 210)
Other accruals	(395 666)	32 871
Net cash flow from operating activities	(12 360)	(23 243)
Cash flow from financing activities		
Change in long-term loans	(16 834)	-
Group contribution received/(paid)	-	-
Paid dividend	-	-
Net cash flow financing activities	(16 834)	-
Net changes in cash balances	(29 194)	(23 243)
Cash and cash equivalents per. 01.01.	396 049	419 293
Cash and cash equivalents per. 31.12.	366 855	396 049



ODFJELL CHEMICAL TANKERS LTD.

NOTE 1 - ACCOUNTING PRINCIPLES

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

Use of estimates

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

Income tax

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

Balance sheet classification

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

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

Receivables

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

Cash flow statement

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

Consolidated statement

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



ODFJELL CHEMICAL TANKERS LTD. (Figures in USD)

NOTE 2 - SHARES IN SUBSIDIARIES

	Registered office	Ownership	Carrying amount	Net result	Book equity
Odfjell Asia II Pte. Ltd.	Singapore	100 %	319 850 000	(9 617 472)	232 710 625

NOTE 3 - DEBT TO COMPANIES IN THE SAME GROUP

	31.12.2019	31.12.2018
Non-current assets		
Odfjell SE	6 064 757	6 047 923
Current liabilities		
Odfjell SE	376 261	414 217

NOTE 4 - TAXES

Tax expenses:	31.12.2019	31.12.2018
Taxes payable	(82 777)	-
Changes in temporary differences	(13 129)	(55 658)
Total taxes	(95 907)	(55 658)

Basis taxes payable:	31.12.2019	31.12.2018
Result before taxes	383 306	(116 435 904)
Changes in temporary differences	(72 070)	55 658
Permanent differences *)	65 027	116 380 246
Losses brought forward	-	-
Tax basis	376 263	-
Tax rate 22%	82 778	-
Group tax contribution	(82 778)	-
Taxes payable	-	-

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

Specification of temporary differences:	31.12.2019	31.12.2018
Non-current items	1 279 138	1 230 022
Losses brought forward *)	-	(10 564)
Net temporary differences	1 279 138	1 219 457
Tax rate	22 %	22 %
Deferred tax liabilities (assets)	281 410	268 281

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

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



ODFJELL CHEMICAL TANKERS LTD.
(Figures in USD)

NOTE 5 - CHANGES IN EQUITY

	Share- capital	Share premium	Other equity	Total
Equity January 1, 2019	441 262 000	2 953 608	(118 558 466)	325 657 142
Group contribution paid (after tax)	-	(293 484)	-	(293 484)
Net result	-	-	287 399	287 399
Equity December 31, 2019	441 262 000	2 660 124	(118 271 067)	325 651 058

NOTE 6 - SHARECAPITAL AND SHARE INFORMATION

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

Shareholders at December 31:

	Total shares	Voting rights
Odfjell SE	4 412 620	100 %

NOTE 7 - BENEFITS, EMPLOYEES, AUDITOR FEE, ETC

Auditor fee is expensed with USD 2.187 (ex VAT).

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

The company has no employees.

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

NOTE 8 - SUBSEQUENT EVENTS

The company does not have its own operations, but is indirectly affected by the Covid-19 outbreak through ownership in its subsidiary Odfjell Asia II Pte. Ltd, which owns and operates chemical tanker vessels. 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. Refer to the subsidiary's separate financial statements for more information on the impact on operations and financial performance.