



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 876 962 012
Organisasjonsform: Aksjeselskap
Foretaksnavn: WESTFAL-LARSEN MANAGEMENT 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: Rolf Westfal Larsen jr
Dato for fastsettelse av årsregnskapet: 22.04.2021

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: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Annen driftsinntekt	6, 7	37 648 000	39 175 000
Sum inntekter		37 648 000	39 175 000
Kostnader			
Annen driftskostnad	2, 3	36 809 000	38 923 000
Sum kostnader		36 809 000	38 923 000
Driftsresultat		839 000	252 000
Finansinntekter og finanskostnader			
Sum finansinntekter	4	865 000	1 143 000
Sum finanskostnader	4	-1 526 000	1 389 000
Netto finans		-769 000	2 432 000
Ordinært resultat før skattekostnad			
Ordinært resultat før skattekostnad		70 000	2 684 000
Skattekostnad på ordinært resultat	9	34 000	618 000
Ordinært resultat etter skattekostnad		35 000	2 066 000
Årsresultat		0	0
Overføringer og disponeringer			
Avgitt konsernbidrag	5	227 000	3 162 000
Sum overføringer og disponeringer		-227 000	-3 162 000



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	9	5 785 000	5 755 000
Sum immaterielle eiendeler		5 785 000	5 755 000
Varige driftsmidler			
Sum varige driftsmidler		0	0
Finansielle anleggsmidler			
Investering i datterselskap	10	4 253 000	4 253 000
Lån til foretak i samme konsern		16 433 000	16 113 000
Andre fordringer	11	6 000	65 000
Sum finansielle anleggsmidler		20 692 000	20 431 000
Sum anleggsmidler		26 477 000	26 186 000
Omløpsmidler			
Varer			
Sum varer		0	0
Fordringer			
Sum fordringer	7, 11	29 132 000	12 855 000
Investeringer			
Sum investeringer		0	0
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	8	6 035 000	46 764 000
Sum bankinnskudd, kontanter og lignende		6 035 000	46 764 000
Sum omløpsmidler		35 167 000	59 619 000
SUM EIENDELER		61 644 000	85 805 000

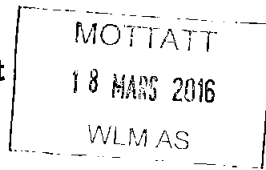


Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	5	824 000	824 000
Annen innskutt egenkapital	5	4 298 000	4 300 000
Sum innskutt egenkapital		5 122 000	5 124 000
Sum egenkapital		5 122 000	5 124 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	3	21 568 000	21 859 000
Sum avsetninger for forpliktelser		21 568 000	21 859 000
Annen langsiktig gjeld			
Sum annen langsiktig gjeld		0	0
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Betalbar skatt	9		
Annen kortsiktig gjeld	11	34 955 000	58 821 000
Sum kortsiktig gjeld		34 955 000	58 821 000
Sum gjeld		56 522 000	80 681 000
SUM EGENKAPITAL OG GJELD		61 644 000	85 805 000



Skattedirektoratet



Saksbehandler
Rune Tystad

Deres dato
14.03.2016

Vår dato
17.03.2016

Telefon
977 59 464

Deres referanse
Linda Herfindal

Vår referanse
2016/229881

WESTFAL-LARSEN MANAGEMENT AS
Postboks 1192 Sentrum
5811 BERGEN

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for selskap i konsernet Skibsaktieselskapet Navigation Co Ltd

- Vi viser til deres brev av 14. mars 2016 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for

Westfal-Larsen Management AS, org.nr. 876 962 012 og
Westfal-Larsen & Co AS, org.nr. 922 490 066.

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

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

Bakgrunn

Westfal-Larsen & Co AS er et shippingselskap med hovedkontor i Bergen. Selskapet eier seks kjemikalietankere som opererer i internasjonalt farvann. Hovedvirksomheten til Westfal-Larsen Management AS er teknisk maritim drift av skip og utførelse av administrative tjenester. Selskapet hadde ved utgangen av 2015 ansvaret for teknisk drift av Westfal-Larsen & Co AS sine seks kjemikalietankere. Selskapene opererer således i en bransje av sterk internasjonal karakter. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Selskapene benytter også engelsk som arbeidsspråk. Både Westfal-Larsen Management AS og Westfal-Larsen & Co AS er en del av konsernet Skibsaktieselskapet Navigation Co Ltd. Skibsaktieselskapet Navigation Co Ltd. er eid av norske holdingselskaper. Aksjonærstrukturen er således begrenset, og aksjonærene ønsker at engelsk språk benyttes. Det er heller ingen forhold rundt selskapets finansiering eller andre forretningsforbindelser som skulle tilsi behov for regnskap på norsk. Bankforbindelser og øvrige forretningsforbindelser etterspør kun informasjon på engelsk. Den norske versjonen utarbeides kun for å tilfredsstille regnskapslovens krav.

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

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr. 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



være på et annet språk.”

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

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

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er en del av et utlandsk konsern som er eid av norske holdingsselskaper. Eierkretsen er dermed begrenset. Videre er det vektlagt at selskapene operer i en bransje av sterk internasjonal karakter og at arbeidsspråket er engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



SAK 3 Årsoppgjør rapport 2020 Westfal-Larsen Management AS.pdf

Signers:

Name	Method	Date
Westfal-Larsen, Rolf	BANKID_MOBILE	2021-04-21 13:56 GMT+2
Hvide, Johan Gustav	BANKID	2021-04-21 14:00 GMT+2
Pettersen, Bernt Jacob Schwings	BANKID_MOBILE	2021-04-21 16:50 GMT+2
Westfal-Larsen, Rolf	BANKID_MOBILE	2021-04-21 16:51 GMT+2
Muller, Bernt Ulrich A	BANKID_MOBILE	2021-04-21 17:12 GMT+2

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Annual report 2020

Westfal-Larsen Management AS
2020

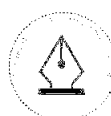
Board of directors' report

Annual accounts

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

Auditors' report

Westfal-Larsen Management AS



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Westfal-Larsen Management AS

Annual Report of the Board of Directors 2020

The core business activities of Westfal-Larsen Management AS are technical maritime operation of vessels and administrative services. At year's end Westfal-Larsen Management AS had the responsibility for the technical management of a total of 12 vessels, 4 vessels on behalf of Masterbulk AS, 6 vessels on behalf of Westfal-Larsen & Co. AS and 2 vessels on behalf of Welco Eco Ship AS.

Westfal-Larsen Management AS also performs administrative services on assignment from other companies of the Westfal-Larsen group. These services include business management and administration. All of the services Westfal-Larsen Management AS provides are operated from Bergen, Norway. The company's operations are conducted within the international environmental requirements that apply to this kind of activity. Technical management of vessels involves a risk of pollution of the external environment. American legislators have introduced stringent rules that may entail unlimited liability for oil spills in US waters.

By using recognized quality assurance principles, the company is seeking to limit this risk by means of:

- Safe operating routines
- Adequate current maintenance
- Ensuring that operations are conducted by qualified personnel.

The company has limited financial risk, and almost all income and expenses are in NOK. It is the opinion of the Board of Directors that the company's financial position is satisfactory. The company has a book to equity ratio of 6.9%. Operating profit was NOK 0.8 million (NOK 0.3 mill in 2019). The company reported satisfactory earnings in 2020 and the Board of Directors expects the same in 2021. The company's liquidity is good, with liquid funds of NOK 6.0 million consisting of bank deposits. The company had a negative cash flow from operating activities of NOK 37.4 million, no cash flow from investment activities and a negative cash flow of NOK 3.0 million from financing activities.

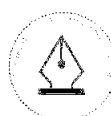
The profit and loss account shows a profit after tax of NOK 0.04 million (NOK 2.1 mill in 2019). The Board of Directors proposes the following allocation:

Paid Group contribution	NOK 227.000
Received Group contribution	NOK 190.000
Transferred to other reserves	<u>NOK 35.000</u>
Total	<u>NOK 2.000</u>

It is the opinion of the Board of Directors that the presented profit and loss account and the balance sheet with accompanying notes provide adequate information about the year's operations and status at the end of 2020. In conformity with the rules of the Accounting Act, it is hereby certified that the accounts are presented on the going-concern assumption.

As of 31 December 2020, Westfal-Larsen Management AS had 15 employees. In the course of 2020, one person retired and two new employees were hired.

The company's objective is that gender discrimination shall not occur. This is endeavored through measures such as equal treatment in hiring processes. There are 3 women and 12 men employed in the company. The Board consists of four men.



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Westfal-Larsen Management AS

The working environment in the company is satisfactory. Sickness absence among clerical staff was 0.7% of total working hours, all due to short-term sickness absence below 16 days. There have been no serious injuries among employees in 2020.

At the time of writing, there is still a high degree of uncertainty related to the impact of the COVID-19 virus outbreak. However, we currently do not expect that this will have a substantial negative impact on the company. Vessel performance has so far been satisfactory, and numerous steps have been taken to avoid infection of employees both at sea and on shore. No other circumstances have arisen after the end of the financial year over and above those described in the foregoing that are of significance for assessment of the company and that are not stated in the annual accounts with the accompanying notes

Bergen, 21.04.2021

Board of Westfal-Larsen Management AS

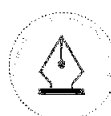
Bernt Jacob Pettersen
Chairman of the Board

Johan Gustav Hvide
Board member

Rolf Westfal-Larsen
Board member

Ulrich Muller
Board member

Rolf Westfal-Larsen jr
CEO



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Profit and loss account 01.01-31.12

Westfal-Larsen Management AS

NOK 1000

	Note	2020	2019
Management and administration fees	6, 7	37 647	39 175
Other operating income		1	0
Total operating income		37 648	39 175
Administration costs	2, 3	36 809	38 923
Total operating costs		36 809	38 923
Operating profit (loss)		839	252
Financial income (excl. currency gain)	4	865	1 143
Financial costs (excl. currency losses)	4	54	50
Realised/Unrealised currency gains/(losses)		-1 580	1 339
Net financial incomes (costs)		-769	2 432
Profit (loss) before taxes		70	2 684
Taxes	9	34	618
Profit (loss) for the year		35	2 066
Information on:			
Group contribution net after taxes	5	227	3 162

Westfal-Larsen Management AS



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Balance sheet as of December 31

Westfal-Larsen Management AS

NOK 1000

	Note	2020	2019
ASSETS			
Deferred tax assets	9	5 785	5 755
Total intangible assets		5 785	5 755
Investments in subsidiaries	10	4 253	4 253
Loans to companies in the same Group		16 433	16 113
Other receivables	11	6	65
Total financial assets		20 692	20 431
Total fixed assets		26 477	26 186
Other receivables	7, 11	29 132	12 855
Bank deposits	8	6 035	46 764
Total current assets		35 167	59 619
Total assets		61 644	85 805

Westfal-Larsen Management AS



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Balance sheet as of December 31

Westfal-Larsen Management AS

NOK 1000

	Note	2020	2019
EQUITY AND LIABILITIES			
Share capital	5	824	824
Paid-up other equity	5	4 298	4 300
Total called-up and fully-paid share capital		5 122	5 124
Total equity		5 122	5 124
Pension commitments	3	21 568	21 859
Total provisions for commitments		21 568	21 859
Due taxes	9	0	0
Other short-term liabilities	11	34 955	58 821
Total current liabilities		34 955	58 821
Total liabilities		56 522	80 681
Total equity and liabilities		61 644	85 805

Bergen, 21.04.2021
Board of Westfal-Larsen Management AS

Bernt Jacob Schwings Pettersen
Chairman of the Board

Johan Gustav Hvide
Board member

Rolf Westfal-Larsen
Board member

Bernt Ulrich August Muller
Board member

Rolf Westfal-Larsen jr
CEO

Westfal-Larsen Management AS



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Cash flow statement 01.01 -31.12

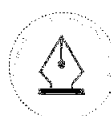
Westfal-Larsen Management AS

NOK 1000

	2020	2019
Cash flow from operational activities		
Profit/(loss) for the year before tax	70	2 684
Reduction (increase) in current assets	-17 109	-718
Increase (reduction) in short-term liabilities	-20 105	14 979
Changes in pension scheme assets/liabilities	-292	504
Net cash flow from operational activities	-37 436	17 449
Cash flow from investment activities	0	0
Cash flow from financing activities		
Repayment from company in the same group	321	6 113
Received group contribution	1 080	800
Paid group contribution	-4 053	-2 639
Net cash flow from financing activities	-3 294	-7 952
Net change in cash and cash equivalents	-40 730	9 497
Cash and cash equivalents at 01.01	46 764	31 155
Cash and cash equivalents at 31.12*	6 035	46 764

*) Cash and cash equivalents include cash, bank deposits and securities.

Westfal-Larsen Management AS



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Westfal-Larsen Management AS

Note 1 ACCOUNTING POLICIES

The annual accounts have been presented in conformity with the Accounting Act and generally accepted accounting principles. The company's consolidated accounts are part of the consolidated accounts for Skibsaktieselskapet Navigation Co. Ltd., Bergen.

Operating income

The Management and Administration Fees are recognised in the income statement in accordance with the performance of the services.

Current assets and short-term liabilities

Current assets are valued at original cost or fair value, whichever is the lower. Short-term liabilities are recognised as the nominal figure at the time of establishment. Liabilities that fall due for payment within one year are classified as short-term liabilities.

Tangible fixed assets

Tangible fixed assets are recognised and depreciated over the expected life of the asset. In the event of material falls in value that are not transitory, a write-down to market value will be undertaken. Write-downs are reversed to the extent that the basis for the write-down is no longer present.

Foreign currency

All money items in foreign currency are valued at the rate on the balance-sheet date.

Pensions

Pension costs and pension commitments are calculated on the basis of linear earning using assumptions on discount rate, future adjustment of wages and salaries, pensions and national insurance benefits, future yield on pension funds and actuarial assumptions on mortality, voluntary cancellations etc. Pension funds have been valued at fair value and net pension commitments have been deducted in the balance sheet. Changes in the commitment due to changes in pension schemes are recognised. Changes in the commitment and the pension funds that are due to changes in and deviation from the calculation assumptions (estimate changes) are distributed over estimated remaining earning time if the deviations at the beginning of the year exceed 10 % of gross pension commitments or pension funds, whichever is the greater. Changes of principles that entail considerable changes in recognised pension cost and net pension commitments are posted direct against equity.

Taxes

Taxes in the profit and loss account include both the period's due taxes and the change in deferred tax. Deferred tax has been calculated at 22 % on the basis of the timing differences that exist between book and fiscal values, and tax assessment deficit for carrying forward at the end of the financial year. Tax-increasing and tax-reducing timing differences that are reversed or can be reversed in the same period are netted out.

Investments in subsidiaries

Subsidiaries are valued on the cost method in the company accounts. The investments have been valued at original cost of the shares unless an impairment has been necessary. An impairment to fair value has been undertaken when the fall in value is due to causes that cannot be considered transitory and this must be regarded as necessary under generally accepted accounting principles. Impairments are reversed when the basis for the impairment is no longer present.

Dividend and other distributions are posted to income the same year in which they are allocated in the subsidiary.



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Westfal-Larsen Management AS

Cash flow statement

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

Note 2 WAGE COSTS, NUMBER OF EMPLOYEES, REMUNERATION, LOANS TO EMPLOYEES AND AUDITOR'S FEE

NOK 1000

Administration costs

	2020	2019
Salaries	15 317	14 800
Payroll Tax	2 375	2 329
Pension Costs	3 942	5 685
Other Administration Costs	15 175	16 109
Total	36 809	38 923

Number of man-years 2020

Office employees: 14,86
Maritime personell: 266,00

Remuneration to CEO

	2020	2019
Salary	2 731	2 660
Other Remuneration	200	199
Total	2 931	2 859

Obligations to CEO

The company has no special obligations to the CEO

The Board of Directors

	2020	2019
Directors Fee	150	380
Total	150	380

Auditor fee has been divided as follows:

	2020	2019
Audit Fee	91	114
Other Services	3	3
Total	94	117

The figure is excluding value-added tax.



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Westfal-Larsen Management AS

Note 3 PENSIONS

NOK 1000

The company is obliged to have an occupational pension scheme pursuant to the Act on Compulsory Occupational Pensions. The company's pension schemes satisfy the requirements of this Act.

Westfal-Larsen Management AS discontinued 31.12.2015 the occupational pension scheme in a life assurance company for its employees. The accounting effect of discontinuing the occupational pension scheme was included in the accounts for 2015. With effect from 01.01.2016 the company established a new defined contribution pension plan for the employees. The Company has defined contribution pension plan for employees in Storebrand ASA and supplementary contribution-based pension plan secured in Storebrand Asset Management.

The pension schemes cover 15 individuals at 31 December 2020.

All the pension schemes are handled under the Norwegian Accountancy Standards for pension costs (NRS 6).

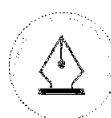
	2020	2019
Pension Costs		
Pension Costs from the Discontinued Occupational Pension Scheme	1 208	2 778
Pension Costs from the new Defined Contribution Pension Plan	2 343	2 217
National Insurance Employer's Contribution	391	691
Total pension costs	3 942	5 686

	2020	2019
Pension Liabilities		
Pension Liabilities from the Discontinued Occupational pension	20 913	21 255
Pension Liabilities from the New Defined Contribution Pension	654	604
Net pension liabilities including national insurance employer's contribution	21 567	21 859

Actuarial calculations are based on information from Westfal-Larsen Management AS. The following assumptions have been used in the calculations:

	31.12.2020	31.12.2019
Discount rate:	1,70 %	2,30 %
Expected wages and salaries adjustment:	2,25 %	2,25 %
Expected adjustment of NI baseline figure (G):	2,00 %	2,00 %
Expected yield on funds:	2,70 %	3,80 %

Actuarial assumptions for demographic factors and cancellations employ the assumptions customary in the insurance industry.



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Westfal-Larsen Management AS

Note 4 FINANCIAL ITEMS

NOK 1000

	2020	2019
Interest Received Group Companies	761	815
Other Interest Received	104	328
Financial Income (excluding currency gain)	865	1 143
Interest Paid	20	30
Other Financial Costs	35	20
Financial Costs (excluding currency losses)	54	50

Note 5 EQUITY

NOK 1000

The share capital consists of 16,477 shares of face value NOK 50 per share.

Westfal-Larsen Management AS is 100 % owned by Skibsaktieselskapet Navigation Co. Ltd.

	Share capital	Other paid-in capital	Other equity	Total
Owners equity 01.01.	824	4 300	0	5 124
Profit for the year	0	0	35	35
Paid group contribution	0	0	-227	-227
Transfer		0	0	0
Received group contribution	0	190	0	190
Owners equity 31.12.	824	4 490	-192	5 122

Paid group contribution for 2020 is net after tax.

Note 6 MANAGEMENT AND ADMINISTRATION FEES

NOK 1000

The stipulation of fees for services is based on pricing of the individual services on an "arm's-length" principle. The fees are posted to income in the company accounts as administration fees.

	2020	2019
Technical maritime operations	19 392	17 521
Accountancy and other administration	18 255	21 655
Management and administration fees	37 647	39 176



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Westfal-Larsen Management AS

Note 7 TRANSACTIONS WITH ASSOCIATED COMPANIES

NOK 1000

Westfal-Larsen Management AS has had the following transactions with associated companies:

	2020	2019
Coverage of operating costs for ships (incl. change in stocks of lubricating oil)		
Westfal-Larsen & Co AS	198 031	226 020
Masterbulk Private Limited	759	67 249
Welco Eco Ship AS	63 686	48 090
Masterbulk AS	304 507	1 281
Total	566 983	342 640
	2020	2019
Coverage of administrations costs		
Westfal-Larsen & Co AS	15 860	19 360
Westchart AS	2 395	2 295
Total	18 255	21 655
	2020	2019
Repayment of loan to Groupcompany		
Westfal-Larsen Group Resources AS	0	6 113
Total	0	6 113

Westfal-Larsen & Co. AS is an affiliate of Westfal-Larsen Management AS and owns and charters a total of six ships for which the company has the operating responsibility.

Skibsaktieselskapet Navigation Co. Ltd. is the parent company.

Masterbulk AS and Westfal-Larsen Shipping AS are associated companies.

Masterbulk AS owns 12 ships and lease 4 ships. Westfal-Larsen Management AS has the operating responsibility for four of these ships. Welco Eco Ship AS is an affiliate of Westfal-Larsen Management AS and owns and charters a total of two ships for which the company has the operating responsibility.

Westchart is a subsidiary and has commercial responsibility for eight chemical tankers.

For loans to companies in the same Group an interest rate of NIBOR + 3,5% has been applied.

Note 8 ESCROW BANK DEPOSIT

NOK 1000

Escrowed tax withholding funds 869



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Westfal-Larsen Management AS

Note 9 TAXES

NOK 1000

<i>Income tax expenses</i>	2020	2019
Due taxes on profit for the year	64	892
Change in deferred tax assets	-30	-274
Total taxes for the year	34	618

Due taxes are calculated as follows:

Ordinary profit before tax	70	2684
Non- deductible costs	86	125
Change in timing differences	136	1 244
Basis for due taxes	291	4 053
22% (2019: 22%) due taxes on profit for the year	65	892
Fiscal effect of received/(paid) group contribution	-65	-892
Total due taxes	0	0

Spesification of basis for deferred tax/tax assets

Pension funds	0	0
Pension commitments - occupational pension scheme	-20 913	-21 255
Pension commitments - defined contribution pension plan	-5 381	-4 903
Total basis for deferred tax/tax assets	-26 294	-26 158
Deferred tax assets 22%	-5 785	-5 755

Note 10 INVESTMENTS IN SUBSIDIARIES

NOK 1000

	Registered office	Ownership interest	Total face value	Value in balance sheet
Shares in subsidiaries:				
Westchart AS	Bergen	100 %	2 150	2 234
Westgas AS	Bergen	100 %	1 000	820
Westgas Management AS	Bergen	100 %	1 200	1 200
Total share investments			4 350	4 253

	Acquisition date	Equity 31.12.19	Profit for the year	Net group contribution	Equity 31.12.20
Subsidiaries - Equity					
Westchart AS	31.12.95	2 176	-243	333	2 266
Westgas AS	31.12.95	980	3		983
Westgas Management AS	31.12.95	1 374	4		1 378
		4 530	-236	333	4 627



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Westfal-Larsen Management AS

Note 11 RECEIVABLES/LIABILITIES

NOK 1000

	2020	2019
Long-term Receivables		
Other	6	65
Total	6	65
Due date > 1 year	6	65
	2020	2019
Short-term Receivables		
Group Contribution	190	1 080
Other Receivables Intra-group	11 704	1 462
Other	17 239	10 312
Total	29 132	12 854
	2020	2019
Short-term Liabilities		
Group Contribution	291	4 053
Other Intra-group debt	11 032	2 822
Accounts Payable	16 464	28 797
Due Government Charges	1 526	1 741
Other	5 641	21 409
Total	34 955	58 822

Note 12 COVID-19

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. Vessel performance has so far been satisfactory, and numerous steps have been taken to avoid infection of employees both at sea and on shore. If the situation notably prevails over an extended amount of time this might eventually affect the company negatively.



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INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Westfal- Larsen Management 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 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.



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.

Bergen, 21 April 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Eirik Moe
State Authorised Public Accountant (Norway)

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