



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 999 632 572
Organisasjonsform: Aksjeselskap
Foretaksnavn: ODFJELL TERMINALS II AS
Forretningsadresse: 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: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Lars Morten Bjørneberg
Dato for fastsettelse av årsregnskapet: 31.08.2020

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, 12.08.2021



Resultatregnskap

| Beløp i: NOK | Note | 2019 | 2018 |
|---|------|------------------|-------------------|
| RESULTATREGNSKAP | | | |
| Kostnader | | | |
| Other operating expenses | 5 | 10 250 | 15 375 |
| Sum kostnader | | 10 250 | 15 375 |
| Driftsresultat | | -10 250 | -15 375 |
| Finansinntekter og finanskostnader | | | |
| Annen renteinntekt | | 1 165 963 | 883 442 |
| Sum finansinntekter | | 1 165 963 | 883 442 |
| Annen rentekostnad | | 5 947 | 6 753 |
| Currency gain (loss) | | -872 580 | -3 136 609 |
| Sum finanskostnader | | -866 633 | -3 129 856 |
| Netto finans | | 2 032 596 | 4 013 298 |
| Ordinært resultat før skattekostnad | | 2 022 346 | 3 997 923 |
| Taxes | 6 | -7 078 673 | -10 787 508 |
| Ordinært resultat etter skattekostnad | | 9 101 019 | 14 785 431 |
| Årsresultat | | 9 101 019 | 14 785 431 |
| Årsresultat etter minoritetsinteresser | | 9 101 019 | 14 785 431 |
| Totalresultat | | 9 101 019 | 14 785 431 |
| Overføringer og disponeringer | | | |
| Allocated to other equity | | 9 101 019 | 14 785 431 |
| Sum overføringer og disponeringer | | 9 101 019 | 14 785 431 |



Balanse

| Beløp i: NOK | Note | 2019 | 2018 |
|--|------|-------------------|--------------------|
| BALANSE - EIENDELER | | | |
| Anleggsmidler | | | |
| Immaterielle eiendeler | | | |
| Sum anleggsmidler | | 0 | 0 |
| Omløpsmidler | | | |
| Varer | | | |
| Fordringer | | | |
| Receivables against related companies | 3 | 32 175 787 | 46 902 207 |
| Sum fordringer | | 32 175 787 | 46 902 207 |
| Bankinnskudd, kontanter og lignende | | | |
| Cash and bank deposits | 4 | 56 692 713 | 67 769 510 |
| Sum bankinnskudd, kontanter og lignende | | 56 692 713 | 67 769 510 |
| Sum omløpsmidler | | 88 868 500 | 114 671 717 |
| SUM EIENDELER | | 88 868 500 | 114 671 717 |
| BALANSE - EGENKAPITAL OG GJELD | | | |
| Egenkapital | | | |
| Innskutt egenkapital | | | |
| Share capital | 2 | 120 000 | 120 000 |
| Overkurs | 2 | 61 211 813 | 36 114 699 |
| Annen innskutt egenkapital | 2 | 11 137 049 | 11 137 049 |
| Sum innskutt egenkapital | | 72 468 862 | 47 371 748 |
| Opptjent egenkapital | | | |
| Other equity | 2 | 16 399 638 | 7 298 619 |
| Sum opptjent egenkapital | | 16 399 638 | 7 298 619 |
| Sum egenkapital | | 88 868 500 | 54 670 367 |



Balanse

| Beløp i: NOK | Note | 2019 | 2018 |
|---------------------------------|-------------|-------------------|--------------------|
| Sum langsiktig gjeld | | 0 | 0 |
| Kortsiktig gjeld | | | |
| Utbytte | | | 60 000 000 |
| Debt to related companies | 3 | | 1 350 |
| Sum kortsiktig gjeld | | | 60 001 350 |
| Sum gjeld | | 0 | 60 001 350 |
| SUM EGENKAPITAL OG GJELD | | 88 868 500 | 114 671 717 |



Skatteetaten

| | | |
|-------------------------------|--|--|
| Vår dato 20.03.2019 | Din/Deres dato 17.12.2018 | Saksbehandler Henning Stokke |
| 800 80 000 Skatteetaten.no | Din/Deres referanse Lars M Bjørneberg | Telefon 800 80 000 |
| Org.nr 974761076 | Vår referanse 2019/5189283 | Postadresse Postboks 9200 Grønland 0134 OSLO |

ODFJELL SE
Postboks 6101
5892 BERGEN

Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk for Odfjell Terminals II AS, org. nr. 999 632 572

Vi viser til deres brev av 17. desember 2018 og 29. oktober 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Odfjell Terminals II AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Odfjell Terminals II AS 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 17. desember 2018 gjengis:

Det vises til samme argumentasjon som tidligere søknad. 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 ekstern skriftlig kommunikasjon inkl. pressemeldinger, foregår på engelsk. Også all informasjon som legges til selskapets intranett og hjemmeside gies på engelsk. Styret i Odfjell SE er internasjonalt, og alle styrepapirer og øvrig dokumentasjon produseres derfor kun på engelsk. Brukere av regnskapet for noen av ovennevnte selskaper er i mange tilfeller utenlandske kreditorer og forretningspartnere.

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.

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ODFJELL TERMINALS II AS
(Org. no. 999 632 572)

The Directors' Report for year 2019

Operations and locations

The business area for the company is to invest in other companies. The company is located in Bergen, Norway.

Going concern

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

Comments related to the financial statements

Net result after tax was positive NOK 9,1 mill for 2019, compared to NOK 14,8 mill in 2018.

The company will keep an equity that satisfy risk of exposure.

Future development

The Board expect no significant changes in activity level.

The COVID-19 outbreak is ongoing, despite slowing down in many areas. This is causing large uncertainty about the global economic outlook. The company does not have any activities directly affected, but is a subsidiary of Odfjell SE and part of the Odfjell Group. The Group is affected through it's operations in the chemical tanker, terminals and gas segments.

Financial risk

The company is not exposed to financial risk.

Staff, discrimination and environment reports

The company has no employees. The Board of Directors consist of three members, all 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

The company is a holding company and the activity is to own shares in other companies.



Allocation of net result

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

| | |
|---|----------------------|
| <u>Net result</u> | <u>NOK 9 101 019</u> |
| Net result allocated to other equity | NOK 9 101 019 |

Bergen, 31/8- 2020

The Board of Directors of Odfjell Terminals II AS

Kristian Mørch
Chairman of the Board

Terje Iversen
Member of the Board/CEO

Harald Fotland
Member of the Board



STATEMENT OF PROFIT OR LOSS

ODFJELL TERMINALS II AS

| | Note | 2019 | 2018 |
|--|------|------------------|-------------------|
| OPERATING INCOME AND OPERATING EXPENSES | | | |
| Other operating expenses | 5 | (10 250) | (15 375) |
| Operating result | | (10 250) | (15 375) |
| FINANCIAL INCOME AND EXPENSES | | | |
| Other interest income | | 1 165 963 | 883 442 |
| Other interest expenses | | (678) | - |
| Other financial items | | (5 269) | (6 753) |
| Currency gain (loss) | | 872 580 | 3 136 609 |
| Net financial items | | 2 032 596 | 4 013 298 |
| Result before tax | | 2 022 346 | 3 997 923 |
| Taxes | 6 | (7 078 673) | (10 787 508) |
| Net result | | 9 101 019 | 14 785 431 |
| Annual net profit | | 9 101 019 | 14 785 431 |
| BROUGHT FORWARD | | | |
| Allocated to other equity | | 9 101 019 | 14 785 431 |
| Net brought forward | | 9 101 019 | 14 785 431 |



STATEMENT OF FINANCIAL POSITION

ODFJELL TERMINALS II AS

| ASSETS | Note | 2019 | 2018 |
|---------------------------------------|------|-------------------|--------------------|
| CURRENT ASSETS | | | |
| Receivables against related companies | 3 | 32 175 787 | 46 902 207 |
| Cash and bank deposits | 4 | 56 692 713 | 67 769 510 |
| Total current assets | | 88 868 500 | 114 671 717 |
| Total assets | | 88 868 500 | 114 671 717 |
| EQUITY AND LIABILITIES | | | |
| PAID-UP EQUITY | | | |
| Share capital | 2 | 120 000 | 120 000 |
| Share premium | 2 | 11 137 049 | 11 137 049 |
| Other paid-up equity | 2 | 61 211 813 | 36 114 699 |
| Total paid-up equity | | 72 468 862 | 47 371 748 |
| RETAINED EARNINGS | | | |
| Other equity | 2 | 16 399 638 | 7 298 619 |
| Total retained earnings | | 16 399 638 | 7 298 619 |
| Total equity | | 88 868 500 | 54 670 367 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accrued dividend | | - | 60 000 000 |
| Debt to related companies | 3 | - | 1 350 |
| Total liabilities | | - | 60 001 350 |
| Total equity and liabilities | | 88 868 500 | 114 671 717 |

Bergen, 31/8- 2020
The board of Odfjell Terminals II AS

Kristian Verner Mørch
Chairman of the Board

Terje Iversen
Member of the Board/CEO

Harald Fotland
Member of the Board



ODFJELL TERMINALS II AS

CASH FLOW STATEMENT

| (NOK) | Note | 2 019 | 2018 |
|--|------|---------------------|-------------------|
| Cash flow from operating activities: | | | |
| Result before taxes | | 2 022 346 | 3 997 923 |
| Changes in other accruals | | (1 350) | 1 350 |
| Net cash flow from operating activities | | 2 020 996 | 3 999 273 |
| Cash flow from investing activities: | | | |
| Sale of non-current assets | | - | - |
| Cash flow from investing activities | | - | - |
| Cash flow from financing activities: | | | |
| Group contribution | | 46 902 207 | |
| Dividend payment | | (60 000 000) | - |
| Net cash flow from financing activities | | (13 097 793) | - |
| Net changes in cash balances | | (11 076 797) | 3 999 273 |
| Cash and cash equivalents per. 01.01. | | 67 769 510 | 63 770 237 |
| Cash and cash equivalents per. 31.12. | | 56 692 713 | 67 769 510 |



ODFJELL TERMINALS II AS

NOTE 1 - ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Norwegian Accounting Act on small enterprises 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.

Investment in subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Income tax

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

Balance sheet classification

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

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

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at 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.



Note 2 - Statement of changes in equity

| | Share capital | Share premium | Other paid-up equity | Other equity | Total |
|---|----------------|-------------------|----------------------|-------------------|-------------------|
| Equity January 1, 2019 | 120 000 | 11 137 049 | 36 114 699 | 7 298 619 | 54 670 367 |
| Tax group contribution from related company (net tax) | - | - | 25 097 114 | 0 | 25 097 114 |
| Accrued dividend to shareholder | - | - | - | - | 0 |
| Net result | - | - | - | 9 101 019 | 9 101 019 |
| Equity December 31, 2019 | 120 000 | 11 137 049 | 61 211 813 | 16 399 638 | 88 868 500 |

Sharecapital: 30 shares of nominal value NOK 4 000. No restrictions in voting rights.
Odfjell SE is 100% owner.

Note 3 - Due to/from related companies

| | | 31.12.2019 | 31.12.2018 |
|------------------------------------|--------------------|-------------------|-------------------|
| Due from related companies: | Relation | | |
| Odfjell Management AS (short term) | Associated company | 32 175 787 | 46 902 207 |
| Total | | 32 175 787 | 46 902 207 |
| Due to related companies: | Relation | | |
| Odfjell SE (short term) | Parent company | - | 1 350 |
| Total | | - | 1 350 |

Note 4 - Corporate accounts

The company is included in the Group's corporate account system with Odfjell SE, Odfjell Tankers AS, Odfjell Management AS, Odfjell Maritime Services AS, Norfra Shipping AS and Odfjell Chemical Tankers AS.

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

The company has no restricted bankdeposits per December 31, 2019.

Note 5 - Employees, benefits, loan to employees, etc

Auditor fee is expensed with NOK 10 250 (ex VAT) in 2019.

No payment to Board of Directors.
The company has no employees.

The company is not obliged to have a mandatory pension scheme in accordance with law.

Note 6 - Taxes

| | 2019 | 2018 |
|---|---------------------|----------------------|
| Tax expenses/(income): | | |
| Taxes payable | | |
| Changes in deferred tax | -7 078 673 | -10 787 506 |
| Total tax expenses | (7 078 673) | (10 787 506) |
| Basis for tax payable: | | |
| | 2019 | 2018 |
| Result before taxes | 2 022 346 | 3 997 923 |
| Permanent differences | - | 14 413 |
| Tax Group contribution | 32 175 787 | 46 902 207 |
| Used losses brought forward | (34 198 133) | (50 914 543) |
| Basis for tax payable | - | - |
| Taxes payable on the result related to Group contribution | (7 078 673) | (10 787 508) |
| Used losses brought forward | 7 078 673 | 10 787 508 |
| Basis payable tax in the balance sheet | - | - |
| Temporary differences: | 2019 | 2018 |
| Losses brought forward | (93 054 417) | (127 252 550) |
| Net temporary differences | (93 054 417) | (127 252 550) |
| Tax rate | 22 % | 22 % |
| Deferred tax liabilities (assets) | (20 471 972) | (27 995 561) |

Deferred tax asset is not accounted for due to uncertainty of future utilization of temporary differences.

Note 7 - Consolidated accounts

The company is included in Odfjell SE's consolidated accounts. The consolidated financial statements can be obtained by contacting Odfjell SE's registered office in Bergen.

**Note 8 - Subsequent events**

The extent and duration of the COVID-19 outbreak over the longer term remain largely uncertain and dependent on future developments that cannot be accurately predicted at this time. The company is a holding company and does not have activities directly affected, but is a subsidiary of Odfjell SE and part of the Odfjell Group. Refer to the Group financial statements for further details.



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

www.ey.no
Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Odfjell Terminals II AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Odfjell Terminals II AS, which comprise the statement of financial position as at 31 December 2019, the statement of profit or loss 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 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 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.



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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.

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 - Odjell Terminals II AS

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: JPEYY-TEGL-ZLSMEU-K7051-YULIQ-3M4QM



Bergen , 31 August 2020
ERNST & YOUNG AS

The auditor's report is signed electronically

Jørn Knutsen
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: JPEYY-1EGLZ-LSMEU-K7051-YULIQ-3M4QM



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Jørn Knutsen

Oppdragsansvarlig partner

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