ADS MARITIME HOLDING PLC

2020

Annual Report

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Chairman's Letter

Dear fellow shareholders,

During 2020 we experienced a remarkable ride in the tanker market. The year started strongly, with us reaping the benefits of having installed scrubbers across our fleet as we enjoyed significant savings from using lower cost bunkers. As we all experienced, the world was turned somewhat upside down with the sudden outbreak of Covid globally, making life for us all more challenging. Our dedicated crews showed remarkable dedication through difficult times as a result of the consequences of Covid and to them and their families I am grateful. The tanker market rocketed during the first half of the year and we recorded all-time high earnings over the first six months. As we moved into the second half of the year the market reduced back to much lower levels. Before the market sank to sub-OPEX levels – and while asset prices were at a good level – we made the decision to sell all three vessels.

Why did we sell?
The simple answer is that we wanted to lock in a profit, rather than risk losing it all in a "double or nothing" bet. We had the opportunity to sell at what we considered to be good prices; if we had waited then that opportunity may have gone. We know that the tanker market is very volatile and always has the potential to skyrocket again next week or next month. Even so, we didn't consider the risk-reward balance to be in our favor and, therefore, we decided to sell. That decision has proven to be the right one, at least so far.

What did we do with the proceeds?
We have paid out all of the net cash from these sales as well as most of the cash accumulated in the Company to you, through maximized dividends and a return of share capital. Anyone who invested when the company was established in 2018 will have received significantly more than they originally put in without having to time an exit from the market.

What's next for ADS Maritime Holding Plc?
We are a lean company, which will enable us to keep the lights on whilst scanning the horizon for new opportunities within shipping. Since we have now paid out the sale proceeds to you and have only retained a minimal amount of cash to enable us to meet possible transaction cost obligations, we will naturally need to come back to the market for fresh capital when the next opportunity arises.

Best regards,

Bjørn Tore Larsen,
Chairman

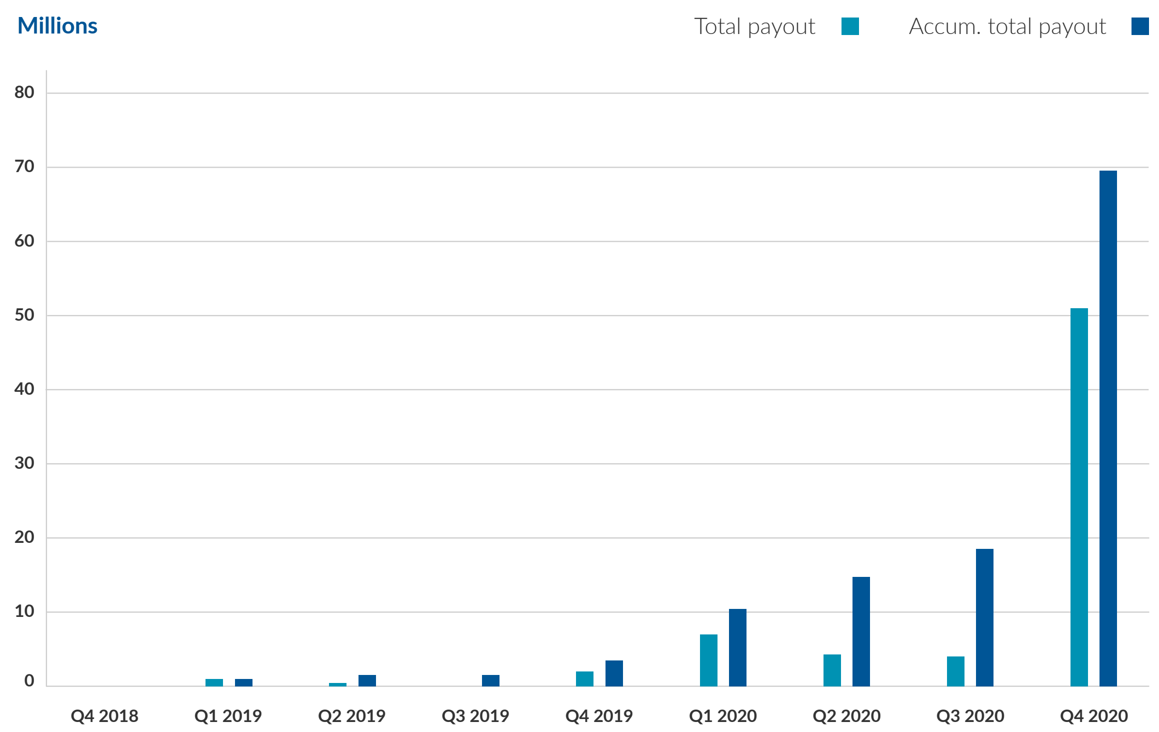
Dividend policy

The Board of Directors (the "Board") aim to distribute dividends to shareholders for financial periods the Company generates sufficient net profits and has available excess cash.

When evaluating dividend distributions, the Board take into account the net profit and cash generated during the reported period, the underlying Company financial performance and market development post-period end, as well as expectations about the future and considering the Company's forecasted liquidity, investment plans, financing requirements and level of financial flexibility that the Board believes is appropriate for the Company.

Return to shareholders

Total capital returned to shareholders since inception of the Company in the second half of 2018 is USD 70 million. Capital returned includes ordinary dividend payments and a share premium reduction that was actioned in Q420.



Board of directors

Bjørn Tore Larsen
Chairman
Controlling shareholder of Arendals Dampskibsselskap, OSM Maritime Group and OSM Aviation Group. Founded the OSM Group in 1989. Mr. Larsen is a Norwegian citizen and resides in Norway.

Mr. Larsen was appointed to the Board of Directors on 10 August 2018. As at 31 December 2019 he held 2,424,934 shares in the Company, equivalent to 10.4% of the Company, through controlling ownership of ADS Shipping Ltd and affiliated companies.

Mario Demetriades
Director and Deputy Chariman
Marios Demetriades is an experienced Financial Services professional with significant experience as a Non-Executive Director in various listed and private companies in the Banking, Infrastructure and Shipping industries. He previously served as the Minister of Transport, Communications and Works for the Republic of Cyprus from 2014 to 2018 and held various positions in the Accounting, Investment and Banking sectors.. He is a qualified Chartered Accountant and Chartered Financial Analyst holder and a member of the CFA Institute, the Institute of Chartered Accountants in England and Wales and the Institute of Certified Public Accountants of Cyprus (ICPAC). Mr. Demetriades is a Cypriot citizen and resides in Cyprus.

Mr. Demetriades was appointed to the Board of Directors on 10 August 2018. As at 31 December 2019 he owns no shares in the Company

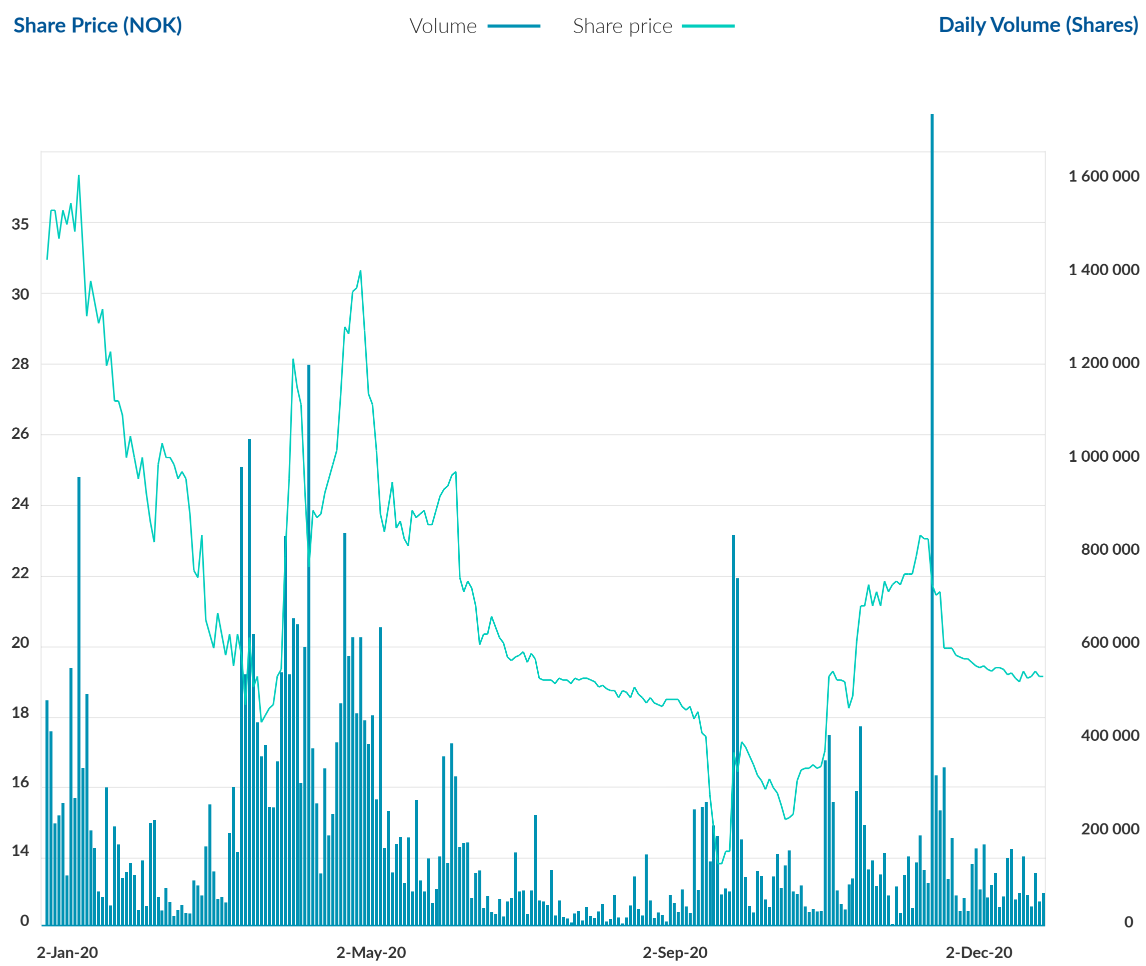
Sofi Mylona
Director
Sofi Mylona is a Partner in the Shipping Department of the law firm Scordis, Papapetrou & Co. LLC in Cyprus and has over 20 years experience as an advocate focusing on Shipping, International Trade and Banking. She studied law at the University of Leicester and the Bar Vocational Course at Holborn College, in the United Kingdom. She is a member of Lincoln's Inn, Inns of Court (Barrister at Law), the Cyprus Bar Association, WISTA Cyprus and WISTA International. Mrs. Mylona has served as member of the board of directors of various Cyprus registered shipping and other companies. Mrs. Mylona is a Cypriot citizen and resides in Cyprus.

Mrs. Mylona was appointed to the Board of Directors on 21 August 2019. As at 31 December 2019 she owns no shares in the Company.

Lia Papaiacovou
Director & Company Secretary
Lia Papaiacovou has more than 20 years' experience in the maritime industry and is currently the Head of Corporate and General manager of Shiphold Management Services Ltd and director of BT Larsen & Co Ltd. Mrs. Papaiacovou holds a degree in Business Administration, is a member of WISTA (Women's International Shipping and Trading Association) as well as being Chairperson and member of the PR Committee of the CSC (Cyprus Shipping Chamber) Events Committee. Mrs. Papaiacovou is a Cypriot citizen and resides in Cyprus.

Mrs. Papaiacovou was appointed to the Board of Directors on 21 August 2019. As at 31 December 2019 she owns no shares in the Company.

Share price performance 2020



Board of directors' report

ADS Maritime Holding Plc is a shipping investment company established in 2018 and listed on the Euronext Growth Oslo Stock Exchange. Our investing philosophy focuses on counter-cyclical investments. The principal activities of ADS Maritime Holding Plc (the "Parent Company") and its wholly owned subsidiaries (together, the "Company") during the period from 2018 to in 2020 were operating three VLCC tankers globally, predominantly in the Middle East Gulf to Far East Asia spot market. During the second half of 2020 the Company sold all three vessels, locking in a significant gain for shareholders compared to the vessel purchase prices.

Headlines 2020

- Average TCE of USD 55,362 per vessel operating day (2019: USD 22,653), generating net revenue of USD 43.0 million for the year (2019: USD 20.0 million)
- Net profit of USD 19.6 million (2019: net loss USD 0.9 million) and EPS of USD 0.84 (2019: loss per share USD 0.04)
- Total dividends paid for 2020 of USD 0.48 per share (2019: USD 0.15 per share)
- All three vessels sold for a combined USD 76.5 million during late 2020, resulting in accounting gain of USD 5.8 million
- All interest-bearing debt (USD 37.5 million) repaid in the year
- USD 51 million capital repayment to shareholders financed by vessel sales proceeds paid out in Q1 2021
- Change of company name to ADS Maritime Holding Plc (from ADS Crude Carriers Plc) to reflect a broader shipping sector focus

Key financials 2020

(In thousands of USD)	2020	2019	*8 months* 2018
Revenue	57 160	42 226	13 432
Net revenue[1]	42 978	20 047	7 907
Vessel operating days	776	885	417
TCE[1] per day (in USD)	55 362	22 653	18 962
Gain on vessel sales	5 763	-	-
Operating profit	23 088	1 674	903
Net profit	19 554	(948)	102
EPS (in USD per share)	0.84	(0.04)	0.01
Dividend (in USD per share)	0.48	0.15	-
Cash flow from ops excluding working capital movements	30 383	8 713	2 695
Cash flow from operations	41 240	2 380	(2 595)
Net cash flow	50 373	(8 381)	13 689
Cash and cash equivalents	55 682	5 309	13 689
Equity ratio	98%	52 %	61 %
Net interest-bearing debt[1]	(55 682)	30 693	15 787

[1] Net revenue, TCE per day and NIBD are non-IFRS measures (see Note 22 to the consolidated financial statements)

1. Operations and market

ADS Maritime Holding Plc completed installation of exhaust emissions cleaning systems (“scrubbers”) on its fleet during mandatory intermediate vessel surveys in late 2019 ahead of implementation of the IMO 2020 regulations that came into force on 1 January 2020. The Company enjoyed significant financial benefits from scrubbers during 2020, particularly during the early months of the year, and was well positioned for what turned out to be a very healthy tanker market during the first half of the year.

The outbreak of Covid-19 at the start of the year had a wide-ranging macroeconomic impact that was felt across all industries and jurisdictions globally, with oil and related markets impacted by a reduction in short-term energy demand resulting in reduced consumption of crude oil products. The main impact of Covid-19 on the Company’s operational activities was largely on logistical challenges relating to performing timely crew changes and, to a lesser extent, challenges with delivery of certain supplies to vessels. The Company was fortunate in that it experienced relatively limited negative impacts on our business operations, which was in large part due to the dedication, understanding, and positive attitude shown by our seafarers and onshore support teams.

During the first half of 2020 the tanker market experienced strong underlying fundamentals, with both a healthy spot and term charter market. The tanker market was significantly influenced by a number of factors, including changes to average sailing distances and steaming speeds, fluxes in fleet capacity, the impacts of IMO 2020, adjustments to oil production and pricing, as well as the sudden outbreak of Covid-19. Driven by increased demand for offshore storage capacity following the high contango in crude oil prices, the market for term charters was extremely strong. This led us to enter a six-month time charter for the vessel ADS Page which commenced on 5 April 2020 for a gross day rate of USD 69,000, while ADS Serenade and ADS Stratus remained operating in the spot market during 2020.

Into the second half of 2020 the tanker market tailed-off from the highs experienced in the first half of the year, which was one of the factors we considered when making the decision to sell the fleet of three VLCCs for USD 25.5 million per vessel. Since selling the vessels during the period September through November 2020, the tanker market has remained weak into 2021, with reported negative index market rates. As a result of the vessel sales completed during 2020, all interest-bearing debt was repaid in full and proceeds were returned to shareholders, partly through a repayment of capital that was paid on 1 March 2021.

2. Financial review

2.1 Income statement

During 2020 there were a total number of 833 vessel days (2019: 1,095) and 776 vessel operating days (2019: 885). No days were spent at yard in 2020 (2019: 210). The Company recorded revenue of USD 57.2 million, up from USD 42.2 million, while net revenue increased to USD 43.0 million from USD 20.0 million in 2019, driven by higher achieved day rates. The Company recorded an average TCE per day of USD 55,362 in 2020, up from USD 22,653 the year before.

The Company recognized an accounting gain of USD 5.8 million in 2020 (2019: nil) as a result of the disposal of all three vessels during late 2020. ADS Stratus was delivered to the new owners on 23 September, ADS Serenade on 26 October and ADS Page on 12 November 2020. Depreciation was charged up to the delivery dates and the net carrying value of each vessel was derecognized from the balance sheet on delivery.

Vessel operating expenses increased 7% to USD 10.6 million (2019: USD 10.0 million), despite a reduction in vessel operating days, due to increased costs as a result of Covid impacts, increased repairs and maintenance costs, as well as certain termination and severance costs resulting from the vessel sales in 2020. General and administrative costs were fairly stable in absolute terms at USD 1.2 million (2019: USD 1.0 million).

Depreciation increased to USD 13.8 million in the year (2019: USD 7.4 million) as a result of an increased depreciation base following the investment in scrubbers and capitalized docking costs at the end of 2019, as well as a reduction in the residual value estimate of the vessels that increased the underlying vessel depreciation charge from 1 October 2019 onwards.

Operating profit increased to USD 23.1 million (2019: USD 1.7 million), driven by higher total revenue.

Finance costs increased to USD 3.7 million (2019: USD 2.8 million). The increase was due to a higher interest-bearing debt following the increase in vessel loans from USD 30 million to USD 37.5 million during 2019, as well as early loan prepayment charges due when the loan tranches were repaid in full in 2020 on sale of the respective vessels.

The Company recorded a net profit of USD 19.6 million (2019: net loss USD 0.9 million) and EPS was USD 0.84 (2019: negative USD 0.04).

2.2 Balance sheet

The Company had gross assets of USD 57.1 million at 31 December 2020 (2019: USD 102.7 million), consisting mainly of cash and cash equivalents of USD 55.7 million (2019: USD 5.3 million) following the vessel sales completed towards the end of the year.

The book value of equity at the yearend was USD 55.8 million (2019: USD 53.5 million), up USD 2.3 million from the previous yearend due to a net profit of USD 19.6 million, less dividends totaling USD 17.3 million declared in the year.

The Company had no non-current liabilities at 31 December 2020 (2019: USD 36.6 million) following repayment of all outstanding debt during the year, as all vessel loan tranches were repaid in full on sale of the respective vessels. Current liabilities decreased to USD 1.3 million (2019: USD 12.6 million).

2.3 Cash flow

Net cash flow from operations before working capital movements increased by USD 21.7 million to USD 30.4 million (USD: 2019 USD 8.7 million), and after positive working capital movements of USD 10.9 million (2019: negative USD 6.3 million) was an inflow of USD 41.2 million (2019: USD 2.4 million).

Cash invested in property, plant and equipment was USD 8.3 million (2019: USD 12.8 million) and consisted of payments made in 2020 related to the vessel intermediate surveys and scrubber investments performed in 2019. Gross proceeds from vessel sales in 2020 was USD 76.5 million and net of sales commissions was USD 73.5 million (2019: nil).

Cash flow from financing activities was a net outflow of USD 56.1 million (2019: inflow USD 2.1 million), driven by repayment of debt and dividends paid to shareholders. During the year the Company repaid in full vessel loans of USD 37.5 million, compared to a drawdown of loan of USD 7.5 million the prior year. Dividends paid amounted to USD 17.3 million in the year (2019: USD 1.5 million). Interest paid was USD 2.8 million in the year (2019: USD 2.2 million), including loan early prepayment fees. An amount of USD 1.5 million was released from restricted to free cash as a result of the repayment in full of the vessel loans in the year (2019: increase in restricted cash of USD 1.0 million).

Cash and cash equivalents held at 31 December 2020 totaled USD 55.7 million (2019: USD 5.3 million). The Company had no restricted cash deposits at yearend (2019: USD 1.5 million).

2.4 Dividends and allocation of net profit

The Company declared the following dividends during the year and prior year:

Financial period	Total dividend	Dividend per share[1]	Announced	Ex-div date	Payment date
Q3 2020	USD 4.0m	USD 0.17 (NOK 1.54)	18 Nov 2020	23 Nov 2020	3 Dec 2020
Q2 2020	USD 4.3m	USD 0.18 (NOK 1.60)	28 Aug 2020	1 Sep 2020	11 Sep 2020
Q1 2020	USD 7.0m	USD 0.30 (NOK 2.86)	28 May 2020	4 Jun 2020	16 Jun 2020
Q4 2019	USD 2.0m	USD 0.09 (NOK 0.79)	27 Feb 2020	10 Mar 2020	18 Mar 2020
Q2 2019	USD 0.5m	USD 0.02 (NOK 0.19)	22 Aug 2019	4 Sep 2019	16 Sep 2019
Q1 2019	USD 1.0m	USD 0.04 (NOK 0.37)	29 May 2019	12 Jun 2019	26 Jun 2019
	USD 18.8m	**USD 0.80 (NOK 7.35)**			

[1]ADS Maritime Holding Plc's functional and presentational currency is USD and all dividends announced by the Company are initially announced in total USD and estimated USD equivalents per share. As a result of the Company's shares being traded on the Oslo Børs Merkur Markets all dividend payments are made in NOK based on an exchange rate secured by the Company between the date of announcing a dividend and the ex-div date.

The Board propose that the net profit of USD 19.6 million recorded in the consolidated incomes statement in 2020 is transferred to retained earnings. The dividends declared by the Board during 2020 are deducted from accumulated profit and losses as at 31 December 2020.

2.5 Going concern

The During the latter part of 2020 the Company completed the sale of ADS Page, ADS Stratus and ADS Serenade. The net proceeds of the combined vessel sales have been used to repay vessel loans, pay for sales related costs such as vessel operating and voyage expenses relating to the three vessel sales, and to fund a capital repayment of USD 51 million to shareholders. The capital repayment was made in March 2021. The Company currently does not own any vessels. The Company will be reliant on new financing should it acquire vessels in the future.

The Company's financial projections used in its going concern evaluation are based on certain assumptions about the future. Based on these assumptions, the Company expects to have sufficient liquidity to operate for at least 12 months from the date of this report and, therefore, these financial statements are prepared using the going concern assumption.

2.6 Parent company's unconsolidated financial statement

The Parent Company recorded a net profit of USD 14.3 million for the year, up from USD 4.0 million in 2019. The increase is mainly due to increased dividends from subsidiaries. Dividend income was USD 16.0 million in 2020 (2019: USD 4.4 million). General and administrative costs were USD 0.5 million (2019: USD 0.4 million), while net financial items were USD 1.2 million (2019: USD 0.1 million). Finance costs increased USD 1.8 million to USD 3.6 million (2019: USD 1.7 million) due accelerated amortization of up-front loan fees that were fully expensed on extinguishment of the vessel loans, as well as loan early prepayment fees. Financial income increased USD 0.6 million to USD 2.4 million (2019: USD 1.8 million) due to early loan prepayment fees received from loans to subsidiaries.

The Board of Directors propose to transfer the net profit of USD 14.3 million to retained earnings.

The Parent Company had gross assets at 31 December 2020 totaling USD 56.4 million (2019: USD 96.7 million), of which USD 45.2 million (2019: USD 82.7 million) are non-current assets and USD 11.3 million (2019: USD 14.0 million) current assets. The decrease in non-current assets is due to receipt in full of USD 37.5 million loans to subsidiaries. The Parent Company's book equity was USD 56.4 million (2019: USD 59.3 million) at yearend. The Company had no non-current liabilities (2019: USD 36.6 million) following repayment of the vessel loans in the year.

2.7 Events after the reporting period

On 10 December 2020 shareholders passed a special resolution to make a USD 51 million capital repayment by way of a reduction of the share premium account, subject to regulatory approval in Cyprus. On 16 February 2021 the District Court of Limassol, Cyprus approved the USD 51 million reduction of the share premium account. The last day of trading including the right to the share premium repayment was 19 February, the ex-date 22 February and the payment was made in NOK to all shareholders of ADS Maritime Holding Plc on 1 March 2021.

On 16 March 2021 Trym Sjølie resigned from the board of directors.

3. Financial risks

The Company's primary financial risks relate to market risk, credit risk and liquidity risk. Subsequent to repayment in full of the Company's non-current loans used to finance the Company's vessels that were sold in 2020, the Company's principal financial liabilities are trade and other payables. The Company's principal financial assets are customer receivables, other assets and cash deposits at banks.

The table below shows the carrying value of the Company's financial assets and liabilities.

(In thousands of USD)	2020	2019
Financial assets		
Receivables from customers	573	10 267
Other current assets	868	4 104
Restricted cash	-	1 498
Cash and cash equivalents	55 682	5 309
Total financial assets	**57 122**	**21 177**
Financial liabilities		
Non-current interest-bearing debt	-	36 566
Other current liabilities	1 129	9 499
Trade payables	150	3 141
Total financial liabilities	**1 279**	**49 206**
Net current financial assets/(liabilities)	**55 843**	**18 001**
Net current and non-current financial assets/(liabilities)	**55 843**	**(11 727)**

3.1 Interest rate risk

The Company was previously exposed to interest rate risk due to its vessel loans. Following sale of the vessels during 2020 the Company has repaid in full the vessel loans and at 31 December 2020 had no interest-bearing debt.

3.2 Foreign exchange risk

The Company operates in the global shipping industry, for which the majority of transactions are denominated in US dollars, the Company's functional and presentational currency. All of the Company's revenue recognized in 2020 and 2019 was denominated in USD dollars. The majority of the Company's operating costs are denominated in US dollars.

As at 31 December 2020 the Company had cash and cash equivalents denominated in Norwegian krone that had a carrying value of USD 0.7 million (2019: USD 0.4 million). All other financial assets and liabilities of the Company at 31 December 2020 are denominated in US dollars and, hence, the Company's maximum exposure to foreign exchange risk equates to USD 0.7 million.

3.3 Credit risk

Credit risk is the risk that a counterparty defaults on its contractual obligations, resulting in a financial loss to the Company. The Company is exposed to credit risk primarily from receivables from customers and cash held at banks.

The Company manages its credit risk related to customers by aiming to provide services only to reputable customers. As at 31 December 2020 the Company has customer receivables with a carrying value of USD 0.6 million (2019- USD 10.3 million).

The Company aims to manage its counterparty risk relating to cash held at bank by only holding deposits at recognizable international banks.

As at 31 December 2020 all of the Company's cash and cash equivalents and restricted cash was held with Nordea Bank.

3.4 Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations as they fall due. The Company manages its risk of a shortage of funds by continuously monitoring maturity of its financial assets and liabilities and using a cash flow forecasting tool that makes projections about future cash flows from operating activities and required for investing activities.

All of the Company's financial assets and financial liabilities as of 31 December 2020 are short-term in nature and fall due within 12 months. The Company has net financial assets of USD 56.1 million at 31 December 2020, of which USD 51.0 million was used to finance the share premium payment made in March 2020.

4. People and the organization

The Company's registered office is in Cyprus and its Norwegian subsidiaries are based in Arendal, Norway. The Company's operational perspective is the global shipping market. The Company has one part-time employee, based at the Company's office in Cyprus. The administrative and corporate management of the Company is provided by Arendals Dampskibsselskab AS. The Company's one employee is female, while two of the current four members of the Board of Directors are female.

5. Outlook

The Company continues to assess new investment opportunities in shipping, particularly in large bulkers and tankers. We intend to remain disciplined with the price we pay for vessels, with a focus on quality ships brought at low prices, and will be patient in our approach.

Limassol, 23 March 2021

Bjørn Tore Larsen
Chairman

Marios Demetriades
Deputy Chairman

Sofi Mylona

Lia Papaiacovou

Consolidated statement of comprehensive income

(In thousands of USD)	Note	2020	2019
Revenue			
Charter revenues	4, 5	57 160	42 226
Gain on disposal of vessel	11	5 763	-
Total revenue		**62 923**	**42 226**
Operating expenses			
Voyage expenses	6	(14 182)	(22 179)
Vessel operating expenses	7	(10 625)	(9 964)
General & administrative costs	8	(1 205)	(1 043)
Depreciation	11	(13 823)	(7 366)
Total operating expenses		**(39 835)**	**(40 552)**
Operating profit		**23 088**	**1 674**
Finance cost	9	(3 660)	(2 825)
Finance income	9	126	203
Profit before tax		**19 554**	**(948)**
Income tax		-	-
Profit after tax and total comprehensive income		**19 554**	**(948)**
(In USD)			
Earnings per share attributable to equity holders			
- Basic and diluted	10	0.84	(0.04)

ADS MARITIME HOLDING PLC

Consolidated statement of financial position

(In thousands of USD)	Note	2020	2019
Assets			
Non-current assets			
Vessels	11	-	81 568
Total non-current assets		**-**	**81 568**
Current assets			
Receivables from customers	15	573	10 267
Other current assets	12, 15	868	4 104
Restricted cash		-	1 498
Cash and cash equivalents	15	55 682	5 309
Total current assets		**57 122**	**21 177**
Total assets		**57 122**	**102 745**
Equity and liabilities			
Equity			
Issued share capital		4 678	4 678
Share premium		51 207	51 207
Retained earnings		(42)	(2 346)
Total equity		**55 843**	**53 539**
Non-current liabilities			
Interest-bearing debt	13	-	36 566
Total non-current liabilities		**-**	**36 566**
Current liabilities			
Other current liabilities	14, 15	1 129	9 499
Trade payables	15	150	3 141
Total current liabilities		**1 279**	**12 640**
Total equity and liabilities		**57 122**	**102 745**

Consolidated statement of cash flows

(In thousands of USD)	Note	2020	2019
Cash flow from operating activities			
Profit for the period		19 554	(948)
Adjustment for non-operating cash flow items			
Depreciation	11	13 823	7 366
Gain on disposal of vessel	11	(5 763)	-
Interest expense		2 797	2 498
Interest income		(29)	(202)
Operating cash flow before working capital items		**30 383**	**8 713**
Working capital movements		10 857	(6 334)
Total operating cash flow		**41 240**	**2 380**
Cash flow from investing activities			
Payments for vessels and equipment		(8 333)	(12 837)
Proceeds from disposal of vessels		73 540	-
Total cash flows used in investing activities		**65 207**	**(12 837)**
Cash flow from financing activities			
Net receipt from loan		-	6 600
Repayment of loan		(37 500)	-
Interest paid		(2 821)	(2 210)
Decrease/(increase) in restricted cash		1 498	(973)
Interest received		-	161
Dividends paid		(17 250)	(1 500)
Total cash flow from financing activities		**(56 074)**	**2 077**
Net increase in cash and cash equivalents		**50 373**	**(8 381)**
Cash and cash equivalents at beginning of period		5 309	13 689
Cash and cash equivalents at end of period		**55 682**	**5 309**

Consolidated statement of changes in equity

(In thousands of USD apart from number of shares)	Number of shares	Issued share capital	Share premium	Retained earnings	Total equity
Balance at 1 January 2019	**23 390 300**	**4 678**	**51 207**	**102**	**55 987**
Total comprehensive loss for the period	-	-	-	(948)	(948)
Dividends paid during the period	-	-	-	(1 500)	(1 500)
Balance at 31 December 2019	**23 390 300**	**4 678**	**51 207**	**(2 346)**	**53 539**

(In thousands of USD apart from number of shares)	Number of shares	Issued share capital	Share premium	Retained earnings	Total equity
Balance at 1 January 2020	**23 390 300**	**4 678**	**51 207**	**(2 346)**	**53 539**
Total comprehensive income for the period	-	-	-	19 554	19 554
Dividends paid	-	-	-	(17 250)	(17 250)
Balance at 31 December 2020	**23 390 300**	**4 678**	**51 207**	**(42)**	**55 844**

At 31 December 2020 the nominal value of the Company's authorized share capital is USD 1,000 million, consisting of 5,000,000,000 shares of par value USD 0.20 each, of which the Company has issued 23,390,300 shares with total share capital USD 4.7 million.

Notes to the consolidated financial statements

1. General information

These consolidated financial statements of of ADS Maritime Holding Plc ("ADS Maritime Holding" or the "Company") were authorized for issue in accordance with a resolution of the Board of Directors passed on 23 March 2021.

ADS Maritime Holding Plc is a public limited company listed on the Euronext Growth at the Oslo Stock Exchange.

The Company is incorporated in Cyprus and the address of its registered office is OSM House, 22 Amathountos, 4532 Agios Tychonas, Limassol, Cyprus. The Company is domiciled in Cyprus and has Norwegian subsidiaries based in Arendal, Norway. The principal activities of the Company are shipping investments.

The Company is managed by Arendals Dampskibsselskab AS.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the EU.

2.2 Going concern

These financial statements have been prepared based on the assumption of going concern

During the latter part of 2020 the Company completed the sale of ADS Page, ADS Stratus and ADS Serenade. The net proceeds of the combined vessel sales have been used to repay vessel loans, pay for sales related costs such as vessel operating and voyage expenses relating to the three vessel sales, and to fund a capital repayment of USD 51 million to shareholders. The capital repayment was made in March 2021.

The Company currently does not own any vessels. The Company will be reliant on new financing should it acquire vessels in the future.

The Company's financial projections used in its going concern evaluation are based on certain assumptions about the future. Based on these assumptions, the Company expects to have sufficient liquidity to operate for at least 12 months from the date of this interim report and, therefore, these interim financial statements are prepared using the going concern assumption.

2.3 Revenue recognition

Revenue is recognized when a contractual performance obligation is satisfied by transferring a promised good or service to a customer.

Spot charters

Revenue from spot charters is recognized over the estimated length of each voyage, calculated on a load-to-discharge basis. The load-to-discharge period is deemed to be the period during which the customer obtains economic benefit.

Certain costs that are incurred to obtain and fulfil a spot charter contract may qualify for deferral. The Company incurs voyage expenses between the previous discharge port, or customer contract date if later, and the next load port. Such voyage expenses are capitalized if the costs directly relate to the contract, generate or enhance resources of the entity that will be used in satisfying performance obligations, and the costs are expected to be recovered. Any costs capitalized during the previous discharge port and next load port are amortized on a straight-line basis during the subsequent load-to-discharge period.

Time charter
Revenue from time charters is recognized on a straight-line basis over the rental period of the charter.

2.4 Property, plant and equipment

Vessels
Vessels are stated at historical cost, less accumulated depreciation and impairments. The cost includes any costs that were directly attributable to the purchase of a vessel. The directly attributable costs of subsequent expenditures, including major renovations, upgrades and inspections are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

The Company calculates vessel depreciation based on an estimated useful lifetime of 20 years from original delivery and the estimated residual value at the end of that period. The residual value is the estimated recycling value at age 20 years. A vessel's residual value is its estimated scrap value expected at the date of scrapping, calculated as the product of the lightweight tonnage of the vessel and the estimated scrap price per tonne. Residual values are reviewed at least annually. The revision of residual value is considered a change in an accounting estimate and, therefore, the effect of the change is recognized prospectively.

For depreciation purposes the Company has based the vessel residual values on a unit recycling price of USD 325/ldt for 2020 (prior to 1 October 2019 the Company used USD 425/ldt).

Capitalized docking and survey costs are depreciated fully on a straight-line basis from the completion of a docking to the estimated date of the next one. Costs related to ordinary maintenance performed during drydocking are charged to the income statement as part of vessel operating expenses in the period in which they were incurred.

Capitalized scrubber investment costs are depreciated fully on a straight-line basis from the first day of the month following completion of the projects until the end of the useful lifetime of the vessel on which a scrubber is installed.

2.5 Consolidation

The consolidated financial statements comprise the financial statements of ADS Maritime Holding Plc (the "Parent Company") and its subsidiaries (together, the "Company"). All of the subsidiaries in the group are 100% owned by the Parent Company and, thus, there are no minority ownership interests.

Subsidiaries are all those entities over which the Parent Company has control. The Parent Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Parent Company. They are de-consolidated from the date that control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using the same accounting policies. All intercompany transactions and balances are eliminated upon consolidation of the financial statements.

2.6 Foreign currency translation

The functional and presentational currency of the Company is US dollar. The functional and presentational currency of the Parent Company and all subsidiaries is US dollar.
Income and expenses denominated in foreign currencies are translated into US dollar at the exchange rates prevailing at the dates of the transactions. Exchange gains and losses resulting from settlement of such transactions as well as from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement as finance income and finance costs.

2.7 Cash and cash equivalents

Cash and cash equivalents consist of cash deposits held at call with banks. Cash and cash equivalents that are restricted for the Company's use are disclosed separately in the statement of financial position.

2.8 Share capital

Shares are classified as equity. Incremental costs directly attributable to the issue of new shares are recorded in equity as a reduction from the gross share issue proceeds.

2.9 Financial liabilities

Financial liabilities are measured at fair value on recognition, net of directly attributable transaction costs. Subsequent to initial recognition, the Company's financial liabilities are measured at amortized cost using the effective interest rate method. The Company's main financial liabilities consist of non-current loans, trade and other payables and accruals. The Company has no financial derivatives.

The Company derecognizes a financial liability only when the Company's obligations are discharged, cancelled or expire.

Loan fees
Expenses that are directly attributable to the inception of a loan are capitalized and amortized over the term of the relevant loan using the effective interest rate method. Amortization of loan costs are included as finance costs in the income statement. The capitalized but unamortized amount of such loan costs are recorded net of the loan liability in the statement of financial position. On derecognition of a loan as a financial liability any previously unamortized loan fees are expensed in full.

2.10 Financial assets

Financial assets are measured at fair value on recognition. Subsequent to initial recognition, the Company's financial assets are measured at amortized cost using the effective interest rate method. Normally, the interest element for the Company's financial assets is disregarded since the receivables are short-term. The Company's main financial assets consist of receivables from customers and other receivables.

The Company derecognizes a financial asset when the contractual rights to cash flows from the asset expire.

Impairment of financial assets
For receivables from customers the Company

applies the simplified approach permitted by IFRS 9 Financial instruments, which uses lifetime expected losses to be recognized from initial recognition of the financial assets. For all other financial assets that are subject to impairment under IFRS 9, the Company applies the general approach three stage model, based on changes in credit quality since initial recognition.

2.11 Impairment of non-financial assets

At each reporting date, the Company assess whether there is indication that an asset is impaired. If an indication exists, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Where the recoverable amount exceeds an asset's carrying value, there is no impairment. In the event the recoverable amount is lower than the carrying value, an impairment charge is recognized and the asset's carrying value is written down to its recoverable amount.

The carrying amounts of vessels are reviewed for potential impairments whenever there is an indication that the carrying amount may not be fully recoverable. Such indicators may include depressed spot market rates, depressed second hand tanker values and sudden and significant reductions in vessel recycle values. The Company assesses the recoverability of the carrying value of each vessel on an individual basis by estimating the fair value less costs to sell of the vessel. The fair value is based on recent independent market transactions for similar vessels between a willing buyer and willing seller. If the fair value less costs to sell of the vessel support her carrying value, then there is no impairment. If the fair value less costs to sell is less than a vessel's carrying value, then a value in use test is performed by calculating the net present value of future cash flows the Company expects to generate from continuing use of the vessel up to and including scrapping. The value in use calculation requires the Company to make assumptions about future vessel performance, including about charter rates, utilization and productivity, vessel operating expenses, drydocking requirements, scrap values and discount rate.

2.12 Holdings on board

The Company has bunker and lube oil onboard the vessels which are consumed in line with vessel operations. Any holdings onboard at the reporting date are measured at the lower of cost and net realizable value using the first in, first out (FIFO) method.

2.13 Earnings per share

Basic earnings per share is calculated based on the net profit attributable to ordinary shareholders for the period divided by the weighted average number of shares in issue. The Company has no potentially dilutive equity instruments in issue.

2.14 Consolidated statement of cash flows

The Company's statement of cash flows is prepared using the indirect method. Cash flows are divided into cash flows attributable to either operating activities, investing activities or financing activities. In the cash flow statement, net profit for the period is adjusted for non-cash items recorded in the income statement, such as depreciation, as well as for non-cash movements in working capital. Any cash flows that have been recorded initially in the income statement as part of net profit but which are investing or financing in nature are removed from operating cash flows and

presented as part of investing of financing cash flows. All amounts presented in the investing activities and financing activities sections are pure cash flows only.

2.15 Dividends

Dividends payable or paid to shareholders are recognized when declared during the financial year and are no longer at the discretion of the Company.

2.16 Income tax

The Parent Company is subject to income tax in Cyprus. The Norwegian vessel owning subsidiaries are taxed in accordance with the Norwegian Tonnage Tax regime for shipping companies. The scheme entails no tax on operating profits. The Company classifies tonnage tax as general and administrative costs.

2.17 Changes in accounting policies

Certain new standards, amendments and interpretations of existing standards have been published that are mandatory for the Company's accounting periods beginning 1 January 2021 or later. None of the new standards, amendments and interpretations relevant for the Company are expected to have a significant impact on the Company's financial statements.

2.18 Critical accounting estimates and judgments

The preparation of the Company's consolidated financial statements requires management and the board to make estimates, judgments and assumptions that affect the reported amount of revenue, expenses, assets and liabilities, as well as the accompanying disclosures. Uncertainty about these estimates, judgments and assumptions could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities in future periods. A summary of the most significant judgments, estimates and assumptions are described below.

Vessel depreciation

Vessel depreciation is based on the estimated useful lifetime of 20 years from original delivery and the estimated residual value at the end of that period. The Company uses estimated recycle value as the residual value, which requires the Company to estimate the market value at the date of recycling. For depreciation purposes the Company has based the vessel residual values on a unit recycling price of USD 325/ldt from 1 October 2019, prior to which the Company used USD 425/ldt.

The actual useful lifetime of a vessel as well as the residual value may end up being different from the assumptions used in the Company's depreciation calculation. Estimated useful lifetimes may change due to technological developments, environmental, legal and market requirements, costs related to maintenance and intermediate/special surveys, as well as charterer requirements. Residual value may vary due to changes in market recycling prices, which may be impacted by developments in vessel recycling facilities and regulations.

As at 31 December 2020 the Company owned no vessels, following the sale of its three tankers during 2020. The depreciation charges recognized in 2019 and in 2020 up to the date of vessel disposal was impacted by the residual value.

Impairment of vessels

Whether there exists an impairment indicator may require the Company to make judgments. In preparing the consolidated financial statements for 2019 the Company performed an impairment test on the carrying value of its vessels using the fair value less cost of disposal method. The results of the test indicated there was no impairment. At 31 December 2020 the carrying value of the Company's vessels, including capitalized docking and survey costs but excluding capitalized scrubber costs, was nil (31 December 2019: USD 70.3 million, equivalent to USD 23.4 million per vessel).

3. Financial risk management

The Company's primary financial risks relate to market risk, credit risk and liquidity risk. Market risk is the risk that the fair value of future cash flows of a financial asset or liability will fluctuate because of changes in market prices, such as foreign exchange and interest rates. The Company's financial risk exposure is monitored by Management and its Board of Directors oversee the management of these risks.

Subsequent to repayment in full of the Company's non-current loans used to finance the Company's vessels that were sold in 2020, the Company's principal financial liabilities are trade and other payables. The Company's principal financial assets are customer receivables, other assets and cash deposits at banks.

The table below shows the carrying value of the Company's financial assets and liabilities.

(In thousands of USD)	2020	2019
Financial assets		
Receivables from customers	573	10 267
Other current assets	868	4 104
Restricted cash	-	1 498
Cash and cash equivalents	55 682	5 309
Total financial assets	**57 122**	**21 177**
Financial liabilities		
Non-current interest-bearing debt	-	36 566
Other current liabilities	1 129	9 499
Trade payables	150	3 141
Total financial liabilities	**1 279**	**49 206**
Net current financial assets/(liabilities)	**55 843**	**18 001**
Net current and non-current financial assets/(liabilities)	**55 843**	**(11 727)**

3.1 Interest rate risk

The Company was previously exposed to interest rate risk due to its vessel loans. Following sale of the vessels during 2020 the Company has repaid in full the vessel loans and at 31 December 2020 had no interest-bearing debt.

3.2 Foreign exchange risk

The Company operates in the global shipping industry, for which the majority of transactions are denominated in US dollars, the Company's functional and presentational currency. All of the Company's revenue recognized in 2020 and 2019 was denominated in USD dollars. The majority of the Company's operating costs are denominated in US dollars.

As at 31 December 2020 the Company had cash and cash equivalents denominated in Norwegian krone that had a carrying value of USD 0.7 million (2019: USD 0.4 million). All other financial assets and liabilities of the Company at 31 December 2020 are denominated in US dollars and, hence, the Company's maximum exposure to foreign exchange risk equates to USD 0.7 million.

3.3 Credit risk

Credit risk is the risk that a counterparty defaults on its contractual obligations, resulting in a financial loss to the Company. The Company is exposed to credit risk primarily from receivables from customers and cash held at banks.

The Company manages its credit risk related to customers by aiming to provide services only to reputable customers. As at 31 December 2020 the Company has customer receivables with a carrying value of USD 0.6 million (2019- USD 10.3 million).

The Company aims to manage its counterparty risk relating to cash held at bank by only holding deposits at recognizable international banks. As at 31 December 2020 all of the Company's cash and cash equivalents and restricted cash was held with Nordea Bank.

3.4 Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations as they fall due. The Company manages its risk of a shortage of funds by continuously monitoring maturity of its financial assets and liabilities and using a cash flow forecasting tool that makes projections about future cash flows from operating activities and required for investing activities.

All of the Company's financial assets and financial liabilities as of 31 December 2020 are short-term in nature and fall due within 12 months. The Company has net financial assets of USD 56.1 million at 31 December 2020, of which USD 51.0 million was used to finance the share premium payment made in March 2020.

3.5 Capital management

The Company's objectives when managing capital are to maximize the return to shareholders over the remaining expected lifetime of the vessels under the Company's control, aiming to have an optimal capital structure whereby it safeguards the Company's ability to continue as a going concern but while returning excess liquidity to shareholders in the form of regular dividends. The management of the capital structure involves active monitoring and adjustments in light of changes in economic conditions and risk characteristics of the Company's vessels.

The Company monitors its debt on the basis of its relative leverage and its absolute debt levels. As part of this monitoring the Company monitors its equity ratio and net interest-bearing debt (NIBD). The equity ratio is calculated as the total carrying value of equity as a proportion of the Company's equity and liabilities. At 31 December 2020 the Company's equity ratio was 98% (2019: 52%). NIBD is calculated as the nominal value of the Company's external debt, less cash and cash equivalents and any restricted cash that can be used to repay debt. At 31 December 2020, the Company's had no interest-bearing debt.

4. Segment reporting

The Company's business is limited to operating a fleet of three VLCC tankers. Management has organized and manages the entity as one business segment based upon the service provided. The Company's chief operating decision maker, being the board of directors, reviews the Company's operating results on a consolidated basis as one operating segment (as defined by IFRS 8 Operating segments).

During 2020 all three vessels operated in the spot market, with one vessel performing on a six month time charter contract. All vessels were sold by the end of 2020.

4.1 Major customers

The Company's revenues during the year were derived from a total of nine customers (2019: nine). Customers from which the Company derived more than 10% of the total revenue in the period are shown in the table below.

(In thousands of USD)	2020	2019
Customer 1	13 399	12 121
Customer 2	11 842	7 203
Customer 3	8 140	5 180
Customer 4	6 857	5 010
Other customers	16 922	12 712
Total revenue	**57 160**	**42 226**

4.2 Geographic regions

The Company's revenues are generated in multiple jurisdictions since the company derives income from operating a fleet of tankers that typically load cargo in one geographical jurisdiction and unload in another and the earnings derived are not split between jurisdictions. As a result, the Company's chief operating decision maker does not evaluate performance by geographical region.

5. Revenue from contracts with customers

The Company's revenue by type is summarized in the table below.

(In thousands of USD)	2020	2019
Spot charter	43 761	39 313
Time charter	13 399	2 913
Total revenue	**57 160**	**42 226**

The Company did not recognize any impairment losses on any receivables arising from contracts with customers.

(In thousands of USD)	2020	2019
Receivables from customers at start of period	10 267	4 745
Net movement in period	(9 694)	5 522
Total receivables from customers at end of period	**573**	**10 267**
Capitalized fulfilment costs at start of period	79	684
Net movement in period	(79)	(605)
Total capitalized fulfilment costs at end of period	**-**	**79**
Total contract assets start of the period	10 346	5 429
Net movement in period	(9 773)	4 917
Total receivables end of the period	**573**	**10 346**

Capitalized fulfilment costs are recognized as other current assets in the statement of financial position and are expensed on a straight-line basis over the period of revenue recognition. The Company had no contract liabilities apart from trade payables and accrued expenses incurred as part of normal operations. The Company has received no payment in advance from customers at 31 December 2020 for which revenue is expected to be recognized in a future period.

Customer contract payment terms are typically in full within three to seven days following discharge of cargo.

6. Voyage expenses

(In thousands of USD)	2020	2019
Bunkers	9 474	16 800
Commercial management fees and commissions	1 780	840
Other voyage expenses	2 921	4 618
	14 175	**22 258**
Capitalized customer contract fulfilment costs movement	79	(79)
Net voyage expenses	**14 182**	**22 179**

7. Vessel operating expenses

(In thousands of USD)	2020	2019
Manning related cost	4 532	5 087
Other vessel operating expenses	6 092	4 877
Total vessel operating expenses	**10 625**	**9 964**

Manning costs include the cost of the crew onboard the Company's vessels and are all third-party costs. The Company does not employ any crew directly as all crew are supplied by the technical managers of the vessels, OSM Maritime Group.

8. General and administrative expenses

(In thousands of USD)	2020	2019
Administrative manager fees	520	233
Employee related costs, incl. CFO fee	146	146
Board of director fees	24	18
Auditor fees	76	82
Tonnage tax	102	115
Other expenses	337	445
Total general and administrative expenses	**1 205**	**1 043**

ADS Maritime Holding Plc has one part-time employee, based at the Company's office in Cyprus. The administrative and corporate management of the Company, as well as provision of a CFO, is provided by Arendals Dampskibsselskab AS.

(In thousands of USD)	2020	2019
Amounts paid to auditor		
Statutory audit fees	58	45
Audit related services	18	37
Total amounts paid to auditor	**76**	**82**

The statutory audit fee for the 2020 audit of ADS Maritime Holding Plc to RSM Cyprus Ltd is agreed at EUR 12,000 plus VAT at 19% (2019: EUR 12,000 plus VAT).

9. Net finance expense

(In thousands of USD)	2020	2019
Finance income		
Interest income	29	202
Currency exchange gain	97	1
Total finance income	**126**	**203**
Finance expense		
Interest expense from interest-bearing debt	2 374	2 498
Amortization of upfront loan fees	934	237
Currency exchange loss	50	1
Other finance cost	302	89
Total finance expense	**3 660**	**2 825**
Net finance expense	**3 534**	**2 622**

10. Earnings per share

(In thousands of USD)	2020	2019
Profit/(loss) for the period	19 554	(948)
Weighted average shares outstanding	23 390 300	23 390 300
Basic and diluted EPS (USD per share)	0.84	(0.04)

The Company has no dilutive or potential dilutive shares.

11. Vessels

(In thousands of USD)	2020	2019
Costs		
Balance at start of period	90 768	69 550
Additional capital expenditures	-	21 218
Disposal	(90 768)	-
Balance at end of period	-	**90 768**
Depreciation		
Balance at start of period	9 201	1 835
Depreciation for the period	13 823	7 366
Disposal	(23 023)	
Balance at end of period	**-**	**9 201**
Net book value at start of period	**81 568**	67 714
Net book value at end of period	**-**	**81 568**
Carrying value of pledged assets at period end	**-**	**69 285**

During the second half of 2020 the Company sold its three vessels. ADS Stratus was delivered to the new owners on 23 September, ADS Serenade on 26 October and ADS Page on 12 November 2020. Depreciation was charged up to the delivery dates and the net carrying value of each vessel was derecognized from the balance sheet on delivery. A gain on disposal of USD 5.8 million was recognized in 2020.

12. Other current assets

(In thousands of USD)	2020	2019
Inventory (bunkers and lube oil)	-	3 176
Capitalized fulfilment costs	-	79
VAT receivable	208	121
Other assets	660	727
Total other current assets	**868**	**4 104**

13. Interest bearing debt

(In thousands of USD)	2020	2019
Fleet Loan		
Nominal USD 37.5 million	-	36 566
Total interest-bearing debt	**-**	**36 566**

During the second half of 2020 the Company sold its three vessels. ADS Stratus was delivered to the new owners on 23 September, ADS Serenade on 26 October and ADS Page on 12 November 2020. On the sales dates the Company repaid in full the respective loan tranches of USD 9.9 million per vessel. In accordance with the loan agreements, loan prepayment fees equal to 2% of the prepaid amount was paid to the lender during 2020.

14. Other current payables

(In thousands of USD)	2020	2019
Accrued expenses	1 129	7 771
Accrued interest	-	689
Contract liabilities	-	1 039
Total other current payables	**1 129**	**9 499**

15. Financial assets and liabilities

All of the Company's financial assets and financial liabilities are measured at amortized cost, apart from inventory and capitalized fulfillment costs included within other current assets. Inventory mainly consists of bunkers onboard and is measured at cost using the FIFO method, while customer contract fulfilment costs are measured in accordance with IFRS 15.

The fair values of the Company's financial assets and liabilities are summarized in the table below.

(In thousands of USD)	*Fair value hierarchy*	2020 Carrying value	2020 Fair value	2019 Carrying value	2019 Fair value
Financial assets					
Receivables from customers		573	573	10 267	10 267
Other current assets		868	868	4 104	4 104
Restricted cash		-	-	1 498	1 498
Cash and cash equivalents		55 682	55 682	5 309	5 309
Total financial assets		**57 122**	**57 122**	**21 177**	**21 177**
Financial liabilities					
Interest-bearing debt	Level 2	-	-	36 566	36 566
Other current liabilities		1 129	1 129	9 499	9 499
Trade payables		150	150	3 141	3 141
Total financial liabilities		**1 279**	**1 279**	**49 206**	**49 206**

The fair values of receivables from customers, other current assets, restricted cash and cash and cash equivalents, other current liabilities and trade payables approximate their carrying values largely due to their short-term maturities.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted and unadjusted prices in active markets for identical assets or liabilities.

Level 2: other techniques for which inputs which have a significant impact on the fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

16. Related parties

16.1 Board of Directors

(In thousands of USD)	Directors Since	Directors To	2020	2019
Payments to Board of Directors				
Bjørn Tore Larsen (Chairman)	10-Aug-18		-	-
Marios Demetriades (Deputy Chairman)	10-Aug-18		14	13
Trym Otto Sjølie	10-Aug-18	16-Mar-21	-	-
Sofi Mylona	21-Aug-19		10	4
Lia Papaiacovou	21-Aug-19		-	-
Penelope Evangelidou	30-Apr-18	21-Aug-19	-	1
Alkistis Dimitriou	10-Aug-18	21-Aug-19	-	1
Total Board of Director fees			**24**	**18**

Non-executive independent board members are entitled to Board fees at the rate of EUR 7.5k per annum, while the Deputy Chairman position receives an additional EUR 2.5k per annum. Lia Papaiacovou is a remunerated part-time employee of the Company.

MD Mindset Capital Ltd, a company controlled by Deputy Chairman Marios Demetriades, received fees for director services totaling EUR 10k in 2020 (2019: EUR 10k) and for consulting services of EUR 20k in 2020 (2019: EUR 20k).

Scordis, Papapetrou & Co LLC, a company in which board member Sofi Mylona is a partner, received fees for director services totaling EUR 8k in 2020 (2019: EUR 3k) and for other legal services of EUR 8k in 2020 (2019: EUR 9k)

16.2 Key management personnel

The administrative and corporate management of the Company is provided by Arendals Dampskibsselskab AS.

16.3 Other related parties

Arendals Dampskibsselskab AS

Arendals Dampskibsselskab AS, a company controlled by Chairman of the Board, Bjørn Tore Larsen, is contracted to provide administrative and corporate management services to the Company. A base fee of USD 140k was paid to Arendals Dampskibsselskab AS in 2020 (2019: USD 140k). Additionally, fees are payable based on the number of vessels. From 1 September 2020 the daily fee per vessel was USD 800, prior to which it was USD 250 per day. Per vessel fees are due from the date a company within the group acquires a vessel and is payable for the period up to three months after disposal of a vessel. A sale and purchase commission of 1% of the acquisition or sales price is payable to Arendals Dampskibsselskab AS in the event of a sale or purchase of a vessel.

The management contract is for at least the period up to 31 December 2022, and the agreement will thereafter automatically be extended for successive 12-month periods unless it is terminated by either party not less than 12 months prior to the end of such period.

During 2020 fees totaling USD 660k (2019: USD 373k) were payable to Arendals Damskibsselskab AS for administrative and corporate management services and USD 765k in relation to S&P commission (2019: nil). At 31 December 2020 an amount of USD 2k (2019: USD 85k) was owed to Arendals Dampskibsselskab AS and recorded as trade payables in the statement of financial position.

ADS Shipping Ltd
ADS Shipping Ltd, a company controlled by Chairman of the Board, Bjørn Tore Larsen, owns 2,171,754 shares in the Company. Together with 403,180 shares in the Company owned by Shiphold Ltd, a company controlled by Mr Larsen, ADS Shipping Ltd has an interest in 2,574,934 shares, equivalent to 11.0%, in the Company.

ADS Shipping Ltd was the minority lender of a Revolving Credit Facility ("RCF") that was established on 20 December 2019, providing a credit line of USD 2.5 million of the total USD 7.5 million RCF. Under the terms of the RCF, the lenders received an up-front fee on inception equivalent to 1% of the commitment. During the 12-month tenor of the RCF the lenders are entitled to 5% commitment fee on the undrawn amount and 10% interest on any drawn amount. During 2020, the Company paid ADS Shipping Ltd USD 95k (2019: USD 28k) in relation to the RCF. The RCF expired on 19 September 2020.

OSM Maritime Group
B.T. Larsen & Co. Ltd, a company controlled by Chairman of the Board, Bjørn Tore Larsen, indirectly jointly controls the OSM Maritime Group ("OSM"). OSM Ship Management AS, a subsidiary of OSM, provided technical vessel management and crew management services for the Company.
During 2020 the Company paid OSM a total of USD 806k (2019: 448k). No amount was owed to OSM Ship Management AS at the end of either period.

B.T. Larsen & Co. Ltd owns 2,574,934 shares, or 11.0%, of the Company, via 2,171,754 and 403,180 shares owned by its 100% subsidiaries ADS Shipping Ltd and Shiphold Ltd, respectively.

SFL Corporation
SFL Corporation Ltd ("SFL"), a company listed on the New York Stock Exchange, provides key management personnel to the Company through representation on the Board of Directors by Trym Sjølie, Chief Operating Officer of SFL Management AS. SFL owns 4,031,800 shares, or 17.2%, of the Company.

SFL was the majority lender of the RCF, providing a credit line of USD 5 million of the total USD 7.5 million RCF. During 2020, the Company paid SFL USD 190k (2019: USD 57k) in relation to the RCF. The RCF expired on 19 September 2020.

Frontline
Frontline Management (Bermuda) Ltd, a company within the same group of companies as SFL controlled by Hemen Holding Ltd, was contracted to provide commercial management services to the Company in relation to the Company's three vessels ADS Page, ADS Stratus and ADS Serenade. Under the terms of the commercial management services contract, Frontline received a fee of USD 250 per vessel calendar day and commission of 1.25% of gross charter hire.

During 2020 the total cost of the commercial management fees and commissions to Frontline expensed was USD 984k (2019: USD 840k).

Sterna Finance
Sterna Finance Ltd ("Sterna") is an affiliate of Hemen Holding Ltd as it has the same beneficial owner. In 2018 the Company entered a loan agreement with Sterna for financing the acquisition of its three vessels and during 2019 the loan terms were amended with the impact that the total loan amount was increased from USD 30 million to USD 37.5 million. The New Loan was drawn down on 28 June 2019, at which point an upfront fee equivalent to 1.5% of the gross loan proceeds was paid by the Company to Sterna. Interest on the New Loan is payable at 5.1% plus LIBOR, payable quarterly in arrears. The interest charge on the Old Loan was 4.50% plus LIBOR.

During 2020 the Company paid Sterna loan interest amounting to USD 2 374k (2019: USD 2 498k) and early loan prepayment fees of USD 595k (2019: nil), while no up-front loan fees were paid (2019: USD 563k). At the yearend, no amount was owed to Sterna (2019: USD 37.5 million loan outstanding and USD 689k accrued interest).

17. Change of company name
On 10 December 2020 a shareholder resolution was passed at the Company's EGM to change the name of the Company to ADS Maritime Holding Plc (previously, ADS Crude Carries Plc). The name change reflects the Company's broader strategic focus on investment opportunities in the maritime sector.

18. Alternative performance measures
In In order to measure financial performance and position, the Company makes use of the Alternative Performance Measures (APMs) described below. The APMs are non-IFRS measures which provide supplemental information to the IFRS financial measures.

18.1 Net revenue
Net revenue is calculated as revenue less voyage expenses. Voyage expenses include revenue-based commissions, apart from address commission which is recognized as a reduction in revenue. The Company uses net revenue as an indication of the profitability of voyages and charters. Net revenue is used as the numerator when calculating TCE per day.

(In thousands of USD)	2020	2019
Net revenue		
Revenue	57 160	42 226
Voyage expenses	(14 182)	(22 179)
Total net revenue	**42 978**	**20 047**

18.2 Vessel days

Vessel days show the difference between the total available vessel days in a period and the vessel operating days. Vessel operating days are calculated as the total available vessel days less days vessels spent in dry dock and for technical maintenance. Vessel operating days are calculated from the date of delivery of a newly acquired vessel, excluding any days associated with drydocking or technical off-hire. A vessel is excluded from the operating days calculation from the date on which a sale of the vessel is agreed.

Days	2020	2019
On contract	726	885
Available but not on contract	50	-
Vessel operating days	**776**	**885**
Technical maintenance, dry dock	57	210
Total available vessel days	**833**	**1 095**

18.3 TCE per day

Time charter equivalent (TCE) per day is calculated by dividing net revenue by the number of vessel operating days in the period. TCE is a common shipping industry measure of performance on a per day basis. The Company uses TCE per day as it enables comparison of financial performance between periods regardless of changes in the mix of charter types.

(In thousands of USD)	2020	2019
TCE		
Net revenue	42 978	20 047
Vessel operating days	776	885
TCE (in whole USD)	**55 362**	**22 653**

18.4 Net interest-bearing debt (NIBD)

NIBD is calculated as the nominal outstanding value of the Company's total interest-bearing debt, less the balance of cash and cash equivalents, as well as any restricted cash that is restricted for the purposes of repaying debt.

(In thousands of USD)	2020	2019
Net interest-bearing debt (NIBD)		
Nominal value of interest-bearing debt	-	37 500
Cash and cash equivalents	55 682	5 309
Restricted cash available for debt repayment	-	1 498
NIBD	**(55 682)**	**30 693**

The Company uses NIBD as it provides an indication of the Company's debt position by indicating the ability of the Company to pay off all its debt if it became due simultaneously and only using cash.

Backlog

Backlog shows the estimated proportion of vessel operating days of a future financial reporting period for which the Company has secured commitments with clients (eg. charter parties), as well as the average TCE per day for those days. The Company uses backlog since it provides the amount of committed operating activity in future periods, thus providing an indication of the Company's future net revenue.

19. Events after the balance sheet date

19.1 Capital payment by way of share premium return

On 10 December 2020 shareholders passed a special resolution to make a USD 51 million capital repayment by way of a reduction of the share premium account, subject to regulatory approval in Cyprus. On 16 February 2021 the District Court of Limassol, Cyprus approved the USD 51 million reduction of the share premium account. The last day of trading including the right to the share premium repayment was 19 February, the ex-date 22 February and the payment was made in NOK to all shareholders of ADS Maritime Holding Plc on 1 March 2021.

19.2 Change in the board of directors

On 16 March 2021 Trym Sjølie left his position as member of the board of directors.

Limassol, 23 March 2021

The Board of Directors

Bjørn Tore Larsen	Marios Demetriades	Sofi Mylona	Lia Papaiacovou
Chairman	**Deputy Chairman**		

ADS MARITIME HOLDING PLC

Parent Company unconsolidated statement of comprehensive income

(In thousands of USD)	Note	2020	2019
Revenue		**-**	**-**
Operating expenses			
General & administrative costs		(492)	(441)
Total operating expenses		**(492)**	**(441)**
Operating profit		**(492)**	**(441)**
Finance cost		(3 570)	(1 703)
Finance income	4	2 381	1 824
Dividends from subsidiaries		16 000	4 400
Profit before tax		**14 320**	**4 080**
Income tax		-	-
Profit after tax and total comprehensive income		**14 320**	**4 080**

ADS MARITIME HOLDING PLC

Parent Company unconsolidated statement of financial position

(In thousands of USD)	Note	2020	2019
Assets			
Non-current assets			
Investments in subsidiaries	4	45 160	45 160
Loans to subsidiaries	3, 4	-	37 500
Total non-current assets		**45 160**	**82 660**
Current assets			
Receivables from subsidiaries	3, 4	-	13 445
Other current assets		92	-
Cash and cash equivalents	3	11 196	557
Total current assets		**11 288**	**14 003**
Total assets		**56 447**	**96 662**
Equity and liabilities			
Equity			
Issued share capital		4 678	4 678
Share premium		52 255	52 255
Retained earnings		(520)	2 411
Total equity		**56 413**	**59 344**
Non-current liabilities			
Interest-bearing debt	3, 5	-	36 566
Total non-current liabilities		**-**	**36 566**
Current liabilities			
Other current liabilities	3	-	692
Trade payables	3	34	61
Total current liabilities		**34**	**753**
Total equity and liabilities		**56 447**	**96 662**

Parent Company unconsolidated statement of cash flows

(In thousands of USD)	2020	2019
Cash flows from operating activities		
Profit for the period	**14 320**	**4 080**
Adjustment for items not affecting operating cash flows:		
Finance cost	3 594	1 703
Dividends from subsidiaries	(16 000)	(4 400)
Interest income	(2 374)	(1 770)
Net operating cash flow before working capital movements	**(460)**	**(387)**
Working capital movements	(724)	3 530
Total operating cash flow	**(1 184)**	**3 143**
Cash flows from investing activities		
Loans repaid by/(to subsidiaries)	37 500	(37 500)
Changes in inter-company receivables	13 445	(9 508)
Dividends received in cash from subsidiaries	18 000	2 400
Total cash flows used in investing activities	**68 945**	**(44 608)**
Cash flows from financing activities		
Proceeds from borrowings	-	37 500
Transaction costs related to new borrowings	-	(900)
Repayment of loan	(37 500)	
Interest paid	(2 374)	(814)
Interest received	2	53
Dividends paid	(17 250)	(1 500)
Total cash flows from financing activities	**(57 122)**	**34 339**
Net increase in cash and cash equivalents	**10 639**	**(7 127)**
Cash and cash equivalents at the beginning of the period	557	7 684
Cash and cash equivalents at the end of the period	**11 197**	**557**

Parent Company unconsolidated statement of changes in equity

(In thousands of USD apart from number of shares)	Number of shares	Issued share capital	Share premium	Retained earnings	Total equity
Balance 1 January 2019	**23 390 300**	**4 678**	**52 255**	**(169)**	**56 764**
Total comprehensive income for the period	-	-	-	4 080	4 080
Dividends declared	-	-	-	(1 500)	(1 500)
Balance at 31 December 2019	**23 390 300**	**4 678**	**52 255**	**2 411**	**59 344**

(In thousands of USD apart from number of shares)	Number of shares	Issued share capital	Share premium	Retained earnings	Total equity
Balance 1 January 2020	**23 390 300**	**4 678**	**52 255**	**2 411**	**59 344**
Total comprehensive income for the period	-	-	-	14 320	14 320
Dividends declared	-	-	-	(17 250)	(17 250)
Balance at 31 December 2020	**23 390 300**	**4 678**	**52 255**	**(520)**	**56 413**

At 31 December 2020 the nominal value of the Company's authorized share capital is USD 1,000 million, consisting of 5,000,000,000 shares of par value USD 0.20 each, of which the Company has issued 23,390,300 shares with total share capital USD 4.7 million.

Notes to the Parent Company unconsolidated financial statements

1. General information

ADS Maritime Holding Plc (the "Parent Company") is a holding company. The Parent Company's activities are investing in subsidiaries, including ownership of shares in subsidiaries and provision of intercompany financing.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the EU.

The Parent Company's accounting principles are consistent with the accounting principles of the Company, as described in Note 2 of the consolidated financial statements, apart from as described below. Note disclosures that are similar to the information available in the consolidated financial statements are not repeated in these unconsolidated financial statements.

2.2 Investments in subsidiaries

Investments in subsidiaries are presented at cost, less any impairment. To assess for impairment, the estimated recoverable amount is compared to the carrying value of investments in subsidiaries. The recoverable amount is calculated as the discounted estimated future cash flows.

2.3 Critical accounting estimates and judgments

Impairment of investment in subsidiaries

The Parent Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future discounted cash flows associate with these subsidiaries would be compared to their carrying amounts to determine if a write-down is necessary.

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, by considering supportive forward-looking information. The main financial assets that are subject to the expected credit loss model relate to receivables from related parties, including loans receivable.

3. Financial risk management

The Parent Company's primary financial risks are consistent with the financial risks of the Company, as described in Note 3 of the consolidated financial statements, apart from as described below.

Credit risk
Credit risk is the risk that a counterparty defaults on its contractual obligations, resulting in a financial loss to the Company. The Company is exposed to credit risk primarily from financial assets as summarized in the table below.

(In thousands of USD)	2020	2019
Loans to subsidiaries	-	37 500
Receivables from subsidiaries	-	13 445
Cash and cash equivalents	11 196	557
Total financial assets	**11 196**	**51 502**

Loans to subsidiaries and receivables from subsidiaries are balances arising from financing the vessel-owning entities owned by the Parent Company. During 2020 the vessels owned by subsidiaries were sold and all receivables from subsidiaries were received in full.

4. Financial assets and liabilities

All of the Company's financial assets and financial liabilities are measured at amortized cost.

The fair values of the Company's financial assets and liabilities are summarized in the table below.

(In thousands of USD)	*Fair value hierarchy*	2020 Carrying value	2020 Fair value	2019 Carrying value	2019 Fair value
Fair value of financial assets					
Loans to subsidiaries	Level 2	-	-	37 500	38 165
Receivables from subsidiaries		-	-	13 445	13 445
Cash and cash equivalents		11 196	11 196	557	557
Total		**11 196**	**11 196**	**51 502**	**52 167**
Fair value of financial liabilities					
Interest-bearing debt	Level 2	-	-	36 566	38 165
Other current liabilities		-	-	692	692
Trade payables		34	34	61	61
Total		**34**	**34**	**37 319**	**38 918**

The fair values of receivables from subsidiaries, cash and cash and cash equivalents, other current liabilities and trade payables approximate their carrying values largely due to their short-term maturities.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted and unadjusted prices in active markets for identical assets or liabilities.

Level 2: other techniques for which inputs which have a significant impact on the fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

5. Investment in subsidiaries

The table below shows the movement in the carrying value of the Parent Company's investments in subsidiaries during the Period.

(In thousands of USD)	2020	2019
Carrying value		
Investments at start and end of period	45 160	45 160

The table below shows all subsidiaries the Parent Company owns directly and indirectly.
The Parent Company has no other interests in entities other than the subsidiaries outlined below.

(In thousands of USD)	Country of incorporation	Equity interest	Equity investments at cost 2020	Equity investments at cost 2019
Name of subsidiary				
ADS Crude Holding AS	Norway	100%	45 160	45 160
ADS Crude I AS	Norway	100%	-	-
ADS Crude II AS	Norway	100%	-	-
ADS Crude III AS	Norway	100%	-	-
Total			**45 160**	**45 160**

5.1 Loans to subsidiaries

(In thousands of USD)	2020	2019
ADS Crude I AS	-	12 500
ADS Crude II AS	-	12 500
ADS Crude III AS	-	12 500
Total loans to subsidiaries	**-**	**37 500**

The loans to subsidiaries were repaid in full during 2020.

5.2 Receivables from subsidiaries

(In thousands of USD)	2020	2019
ADS Crude Holding AS	-	3 097
ADS Crude I AS	-	2 770
ADS Crude II AS	-	1 722
ADS Crude III AS	-	5 857
Total receivables from subsidiaries	**-**	**13 445**

Receivables from subsidiaries were repaid in full during 2020.

6. Interest bearing debt

(In thousands of USD)	31.12.20	31.12.19
Fleet Loan		
Nominal USD 37.5 million	-	36 566
Total interest-bearing debt	**-**	**36 566**

During the second half of 2020 the Company's vessel owning subsidiaries sold their three vessels and on the sales dates the Company repaid in full the respective loan tranches of USD 9.9 million per vessel. In accordance with the loan agreements, loan prepayment fees equal to 2% of the prepaid amount was paid to the lender during 2020.

7. Payments to auditor

The statutory audit fee for the 2020 audit of ADS Maritime Holding Plc to RSM Cyprus Ltd is agreed at EUR 12,000 plus VAT (2019: EUR 12,000 plus VAT).

8. Events after the reporting period

8.1 Capital payment by way of share premium return

On 10 December 2020 shareholders passed a special resolution to make a USD 51 million capital repayment by way of a reduction of the share premium account, subject to regulatory approval in Cyprus. On 16 February 2021 the District Court of Limassol, Cyprus approved the USD 51 million reduction of the share premium account. The last day of trading including the right to the share premium repayment was 19 February, the ex-date 22 February and the payment was made in NOK to all shareholders of ADS Maritime Holding Plc on 1 March 2021.

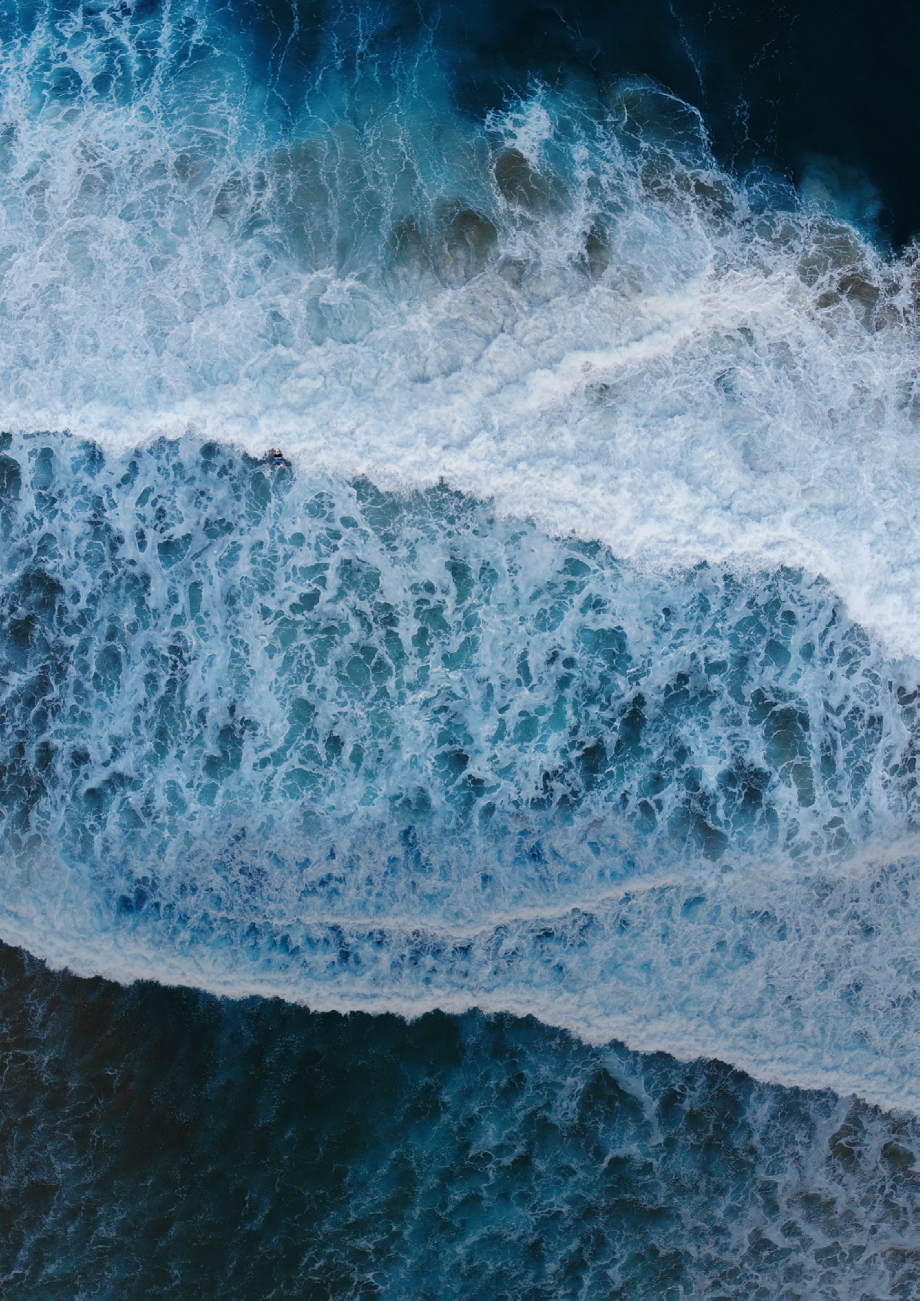
8.2 Change in the board of directors

On 16 March 2021 Trym Sjølie left his position as member of the board of directors.

Limassol, 23 March 2021

The Board of Directors

Bjørn Tore Larsen **Chairman**	Marios Demetriades **Deputy Chairman**	Sofi Mylona	Lia Papaiacovou



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Independent Auditor's Report

To the Members of ADS Maritime Holding Plc

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of parent company ADS Maritime Holding Plc (the "Company") and its subsidiaries (the "Group"), which are presented in pages 15 to 37 and comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We have also audited the Company's unconsolidated financial statements which are presented in pages 39 to 47 and comprise the unconsolidated statement of financial position as at 31 December 2020, and the unconsolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the unconsolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and unconsolidated financial statements give a true and fair view of the consolidated and unconsolidated financial position of parent company ADS Maritime Holding Plc as at 31 December 2020, and of its consolidated and unconsolidated financial performance and its consolidated and unconsolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated and unconsolidated Financial Statements" section of our report. We are independent of the Group in accordance with the "International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants" (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and unconsolidated financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report (continued)

To the Members of ADS Maritime Holding Plc

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During 2020 the Group sold all three vessels and no key audit matters were identified.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors' Report, but does not include the consolidated and unconsolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated and unconsolidated 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 consolidated and unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and unconsolidated 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 the Board of Directors for the Consolidated and Unconsolidated Financial Statements

The Board of Directors is responsible for the preparation of consolidated and unconsolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated and unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and unconsolidated financial statements, the Board of Directors is responsible for assessing the Group'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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and unconsolidated 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 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 consolidated and unconsolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and unconsolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Group'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 consolidated and unconsolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and unconsolidated financial statements, including the disclosures, and whether the consolidated and unconsolidated financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and unconsolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report (continued)

To the Members of ADS Maritime Holding Plc

Report on Other Legal Requirements

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, the Board of Directors' Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the consolidated and unconsolidated financial statements.

- In our opinion, and in the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Board of Directors' Report.

Other Matter

This report, including the opinion, has been prepared for and only for the Group's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

George Themistocleous
Certified Public Accountant and Registered Auditor
for and on behalf of
RSM Cyprus Limited
Certified Public Accountants and Registered Auditors

Limassol, 23 March 2021

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