ADS MARITIME HOLDING PLC

2021

Annual Report

Contents

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.

1. Operations and market

ADS Maritime Holding Plc is a shipping investment company established in 2018 and listed on the Euronext Growth Oslo Stock Exchange. The Company's strategy is to make counter-cyclical investments in quality ships bought at prices discounted to new building parity, particularly tankers and bulkers, as well as projects with long-term secured cashflow, low residual risk, and solid returns on equity. Since incorporation of the Company in 2018 a total of USD 69.8 million has been paid to shareholders, including dividends of USD 18.8 million and return of capital of USD 51 million

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 latter part of 2020 the Company sold all three vessels, locking in a significant gain for shareholders compared to the vessel purchase prices. During 2021 the Company returned USD 51 million to shareholders by way of a capital payment, funded by the net proceeds from the vessels sales completed at the end of 2020.

The Company continues to evaluate investment opportunities in a range of vessel types and segments. The Company has a cash balance of USD 4.7 million at the end of 2021 and expects to be reliant on new financing in order to acquire vessels in the future.

2. Financial review

2.1 Income statement

		12 months		8 months
(In thousands of USD)	2021	2020	2019	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)**	n/a	55 362	22 653	18 962
Gain on vessel sales	-	5 763	-	-
Operating profit/(loss)	(233)	23 088	1 674	903
Net profit/(loss)	(214)	19 554	(948)	102
EPS (in USD per share)	(0.00)	0.84	(0.04)	0.01
Dividend (in USD per share)	-	0.48	0.15	-
Total capital paid to shareholders[1]	51 000	15 250	3 500	-
Cash flow from operations	55	41 240	2 380	(2 595)
Net cash flow	(50 989)	50 373	(8 381)	13 689
Cash and cash equivalents	4 693	55 682	5 309	13 689
Equity ratio	98%	98%	52 %	61 %

2.2 Income statement

Following the vessel sales at the end of 2020 the Company had no revenue generating assets during 2021 and thus revenue was nil. Total operating costs during the ended 31 December 2021 were USD 0.2 million (2020 – USD 39.8 million) and the Company recorded a net loss of USD 0.2 million during the quarter (2020 – net profit USD 19.6 million).

During 2021 the Company returned USD 51 million to shareholders by way of a capital payment, funded by the net proceeds from the vessels sales completed at the end of 2020. At the end of the period the Company held cash and cash equivalents of USD 4.7 million (2020 – USD 55.7 million).

2.3 Balance sheet

The Company had gross assets of USD 4.7 million at 31 December 2021 (2020: USD 57.1 million), consisting mainly of cash and cash equivalents of USD 4.7 million (2020: USD 55.7 million).

The book value of equity at the yearend was USD 4.6 million, a decrease of USD 51.2 million from USD 55.8 million at the end of 2020. The decrease is due to a capital repayment of USD 51 million made to shareholders in March 2021.

Current liabilities decreased to USD 0.1 million (2020: USD 1.3 million).

2.4 Cash flow

Net cash flow from operations was USD 0.1 million (2020 USD 41.2 million). Cash from investing activities was nil in 2021 compared to net cash flow income of USD 65.2 million the prior year due to vessel sales in 2020. Cash flow from financing activities was a net outflow of USD 51 million (2020: inflow USD 56.1 million) due to a capital repayment to shareholders paid in 2021.

Cash and cash equivalents held at 31 December 2021 totaled USD 4.7 million (2020: USD 55.7 million).

2.5 Dividends and allocation of net profit

The Board propose that the net loss of USD 0.2 million recorded in the consolidated incomes statement in 2021 is transferred to retained earnings and that no dividend is declared for 2021.

2.6 Parent company's unconsolidated financial statement

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 payment was made in NOK to all shareholders of ADS Maritime Holding Plc on 1 March 2021.

The Company declared the following dividends and capital payments since incorporation in 2018:

Financial period	Total dividend/ capital payment	Dividend /capital payment per share[1]	Announced	Ex-div date	Payment date
2021	USD 51.0m	USD 2.18 (NOK 18.48)	10 Dec 2020	22 Feb 2021	1 Mar 2021
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 69.8m	**USD 2.98 (NOK)25.83)**			

[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 Euronext Growth 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.

2.7 Going concern

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

Towards the end of 2020 the Company completed the sale of ADS Page, ADS Stratus and ADS Serenade. After repayment of vessel loans, sales related and operational costs the remaining net proceeds of the combined vessel sales were paid to shareholders by a reduction in share premium of USD 51 million, which was paid to shareholders on 1 March 2021. The Company currently does not own any vessels and at the end of Q4 2021 had USD 4.7 million cash at bank, which may be utilized to cover the Group's short term liabilities. The Company expects to be reliant on new financing should it acquire vessels in the future.

2.8 Parent company's unconsolidated financial statements

The Parent Company recorded a net loss of USD 0.7 million for the year (2020: net profit USD 14.3 million). The decrease is due to no dividends from subsidiaries. A dividend of USD 41.4 million was received from subsidiaries in 2021 and was booked against the carrying value of the investment in subsidiaries and no income from divided was recognized in the income statement in 2021 (2020: USD 16 million). General and administrative costs were USD 0.5 million (2020: USD 0.5 million), while net financial items were nil (2020: expense USD 1.2 million). An impairment of USD 0.2 million was recognized on the Parent Company's investment in ADS Crude Holding AS.

The Board of Directors propose to transfer the net loss of USD 0.5 million to retained earnings.

The Parent Company had gross assets at 31 December 2021 totaling USD 4.7 million (2020: USD 56.4 million), of which USD 3.5 million (2020: USD 45.2 million) are non-current assets and USD 1.2 million (2020: USD 11.3 million) current assets. The decrease in non-current assets is due to receipt of a dividend of USD 41.4 million from subsidiaries, and an impairment of USD 0.2 million, which combined reduced the carrying value of investment in subsidiaries by USD 41.6 million. The Parent Company's book equity was USD 4.7 million (2020: USD 56.4 million) at yearend.

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.

3.1 Interest rate risk

The Company has no interest-bearing liabilities and is not exposed to interest rate risk.

(In thousands of USD)	2021	2020
Financial assets		
Receivables from customers	-	573
Other current assets	43	868
Cash and cash equivalents	4 693	55 682
Total financial assets	**4 736**	**57 122**
Financial liabilities		
Other current liabilities	75	1 129
Trade payables	32	150
Total financial liabilities	**107**	**1 279**
Net current financial assets/(liabilities)	**4 629**	**55 843**
Net current and non-current financial assets/(liabilities)	**4 629**	**55 843**

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. The majority of the Company's operating costs are denominated in US dollars.

As at 31 December 2021 the Company had cash and cash equivalents denominated in Norwegian krone that had a carrying value of USD 0.3 million (2020: USD 0.7 million) and in Euros of USD 0.1 million (2020: nil). All other financial assets and liabilities of the Company at 31 December 2021 are denominated in US dollars and, hence, the Company's maximum exposure to foreign exchange risk equates to USD 0.4 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 2021 the Company has no customer receivables (2020- USD 0.6 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 2021 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 2021 are short-term in nature and fall due within 12 months. The Company has net financial assets of USD 4.6 million at 31 December 2021 (2020: USD 56.1 million), the decrease due to the payment in 2021 of USD 51.0 million of capital to shareholders.

4. People and the organization

The Company's registered office is in Cyprus and its Norwegian subsidiary is 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's strategy is to make counter-cyclical investments in quality ships bought at prices discounted to new building parity, particularly tankers and bulkers, as well as projects with long-term secured cashflow, low residual risk, and solid returns on equity. The Company continues to evaluate investment opportunities in a range of vessel types and segments. The Company has a cash balance of USD 4.7 million at the end of 2021 and expects to be reliant on new financing in order to acquire vessels in the future.

Limassol, 11 March 2021

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

Consolidated statement of comprehensive income

(In thousands of USD)	Note	2021	2020
Revenue			
Charter revenues	5	-	57 160
Gain on disposal of vessel	8	-	5 763
Total revenue		**-**	**62 923**
Operating expenses			
Voyage expenses		-	(14 182)
Vessel operating expenses		270	(10 625)
General & administrative costs	6, 10	(503)	(1 205)
Depreciation		-	(13 823)
Total operating expenses		**(233)**	**(39 835)**
Operating (loss)/profit		**(233)**	**23 088**
Finance cost		(45)	(3 660)
Finance income		64	126
(Loss)/Profit before tax		**(214)**	**19 554**
Income tax		-	-
(Loss)/Profit after tax and total comprehensive income		**(214)**	**19 554**
(In USD)			
Earnings per share attributable to equity holders			
- Basic and diluted	7	(0.00)	(0.04)

ADS MARITIME HOLDING PLC

Consolidated statement of financial position

(In thousands of USD)	Note	2021	2020
Assets			
Current assets			
Receivables from customers		-	573
Other current assets	3, 9	43	868
Cash and cash equivalents	3, 9	4 693	55 682
Total current assets		**4 736**	**57 122**
Total assets		**4 736**	**57 122**
Equity and liabilities			
Equity			
Issued share capital		4 678	4 678
Share premium		207	51 207
Retained earnings		(256)	(42)
Total equity		**4 629**	**55 843**
Current liabilities			
Other current liabilities	3, 9	75	1 129
Trade payables	3, 9	32	150
Total current liabilities		**107**	**1 279**
Total equity and liabilities		**4 736**	**57 122**

Consolidated statement of cash flows

(In thousands of USD)	Note	2021	2020
Cash flow from operating activities			
Profit for the period		(215)	19 554
Adjustment for non-operating cash flow items			
Depreciation		-	13 823
Gain on disposal of vessel		-	(5 763)
Interest expense		45	2 797
Interest income		-	(29)
Operating cash flow before working capital items		**(170)**	**30 383**
Working capital movements		226	10 857)
Total operating cash flow		**55**	**41 240**
Cash flow from investing activities			
Payments for vessels and equipment		-	(8 333)
Proceeds from disposal of vessels		-	73 540
Total cash flows from investing activities		**-**	**65 207**
Cash flow from financing activities			
Repayment of loan		-	(37 500)
Interest paid		(45)	(2 821)
Decrease/(increase) in restricted cash		-	1 498
Interest received		(51 000)	(17 250)
Dividends and capital paid		(51045)	(56 074)
Total cash flow used in financing activities			
		(50990)	50 373
Net increase in cash and cash equivalents		**55 682**	**5 309**
Cash and cash equivalents at beginning of period		4 693	55 682
Cash and cash equivalents at end of period		**4 693**	**55 682**

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 2020	**23 390 300**	**4 678**	**51 207**	**(2 346)**	**53 539**
Total comprehensive loss for the period	-	-	-	19 554	19 554
Dividends paid during the period	-	-	-	(17 250)	(17 250)
Balance at 31 December 2020	**23 390 300**	**4 678**	**51 207**	**(42)**	**55 844**

(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 2021	**23 390 300**	**4 678**	**51 207**	**(42)**	**55 844**
Total comprehensive loss for the period	-	-	-	(214)	(214)
Repayment of share premium	-	-	(51 000)	-	(51 000)
Balance at 31 December 2021	**23 390 300**	**4 678**	**207**	**(256)**	**4 629**

At 31 December 2021 the nominal value of the Company's authorized share capital is USD 1,000 million, consisting of 1,000,000,000 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 11 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 a Norwegian subsidiary 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.

Towards the end of 2020 the Company completed the sale of ADS Page, ADS Stratus and ADS Serenade. After repayment of vessel loans, sales related and operational costs the remaining net proceeds of the combined vessel sales were paid to shareholders by a reduction in share premium of USD 51 million, which was paid to shareholders on 1 March 2021. The Company currently does not own any vessels and at the end of Q4 2021 had USD 4.7 million cash at bank, which may be utilized to cover the Group's short-term liabilities. The Company expects to be reliant on new financing should it acquire vessels in the future.

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

There were no changes to accounting standards and amendments that the Company has applied for 2021 for the first time and which had any significant effect on the Company's financial statements.

Certain new standards, amendments and interpretations of existing standards have been published that are mandatory for the Company's accounting periods beginning 1 January 2022 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. For the 2021 financial statements there have been no significant accounting estimates or judgments that significantly impact the financial statements.

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)	2021	2020
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Other current assets	43	868
Cash and cash equivalents	4 693	55 682
Total financial assets	**4 736**	**57 123**
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Total financial liabilities	**107**	**1 279**
Net current financial assets/(liabilities)	**4 629**	**55 844**
Net current and non-current financial assets/(liabilities)	**4 629**	**55 844**

3.1 Interest rate risk

The Company has no interest-bearing liabilities and is not exposed to interest rate risk.

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. The majority of the Company's operating costs are denominated in US dollars.

As at 31 December 2021 the Company had cash and cash equivalents denominated in Norwegian krone that had a carrying value of USD 0.3 million (2020: USD 0.7 million) and in Euros of USD 0.1 million (2020: nil). All other financial assets and liabilities of the Company at 31 December 2021 are denominated in US dollars and, hence, the Company's maximum exposure to foreign exchange risk equates to USD 0.4 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 2021 the Company has no customer receivables (2020- USD 0.6 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 2021 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 2021 are short-term in nature and fall due within 12 months. The Company has net financial assets of USD 4.6 million at 31 December 2021 (2020: USD 56.1 million), the decrease due to the payment in 2021 of USD 51.0 million of capital to shareholders.

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 2021 the Company's equity ratio was 98% (2020: 98%). 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 2021, the Company's had no interest-bearing debt.

4. Segment reporting

The Company's business is investments in shipping. During 2020 when the Company owned a fleet of three VLCC tankers management had organized and managed 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. During 2021 the Company has not had any operating assets.

4.1 Major customers

The Company had no revenues in 2021, while the prior year the Company's revenues were derived from a total of nine customers. 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)	2021	2020
Customer 1	-	13 399
Customer 2	-	11 842
Customer 3	-	8 140
Customer 4	-	6 857
Other customers	-	16 922
Total revenue	**-**	**57 160**

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)	2021	2020
Spot charter	-	43 761
Time charter	-	13 399
Total revenue	**-**	**57 160**

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

(In thousands of USD)	2021	2020
Receivables from customers at start of period	573	10 267
Net movement in period	(573)	(9 694)
Total receivables from customers at end of period	**-**	**573**
Capitalized fulfilment costs at start of period	-	79
Net movement in period	-	(79)
Total capitalized fulfilment costs at end of period	**-**	**-**
Total contract assets start of the period	573	10 346
Net movement in period	(573)	(9 773)
Total receivables end of the period	**-**	**573**

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 2021 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. General and administrative expenses

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)	2021	2020
Amounts paid to auditor		
Statutory audit fees		58
Audit related services		18
Total amounts paid to auditor		**76**

The statutory audit fee for the 2021 audit of ADS Maritime Holding Plc to RSM Cyprus Ltd is agreed at EUR 6.000 plus VAT at 19% (2020: EUR 12,000 plus VAT).

7. Earnings per share

(In thousands of USD)	2021	2020
Profit/(loss) for the period	(215)	19 554
Weighted average shares outstanding	23 390 300	23 390 300
Basic and diluted EPS (USD per share)	(0.01)	0.84

The Company has no dilutive or potential dilutive shares.

8. Vessels

(In thousands of USD)	2021	2020
Costs		
Balance at start of period	-	90 768
Additional capital expenditures	-	-
Disposal	-	(90 768)
Balance at end of period	-	**-**
Depreciation		
Balance at start of period	-	9 201
Depreciation for the period	-	13 823
Disposal	-	(23 023)
Balance at end of period	**-**	**-**
Net book value at start of period	**-**	81 568
Net book value at end of period	**-**	**-**
Carrying value of pledged assets at period end	**-**	**-**

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.

9. 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.

		2021		2020	
(In thousands of USD)	*Fair value hierarchy*	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
Financial assets					
Receivables from customers		-	-	573	573
Other current assets		43	43	868	868
Cash and cash equivalents		4 693	4 693	55 682	55 682
Total financial assets		**4 736**	**4 736**	**57 123**	**57 123**
Financial liabilities					
Other current liabilities		75	75	1 129	896
Trade payables		32	32	150	150
Total financial liabilities		**107**	**107**	**1 279**	**1 046**

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.

10. Related parties

10.1 Board of Directors

(In thousands of USD)	Directors Since	To	2021	2020
Payments to Board of Directors				
Bjørn Tore Larsen (Chairman)	10-Aug-18		-	-
Marios Demetriades (Deputy Chairman)	10-Aug-18		14	14
Trym Otto Sjølie	10-Aug-18	16-Mar-20	-	-
Sofi Mylona	21-Aug-19		10	10
Lia Papaiacovou	21-Aug-19		-	-
Total Board of Director fees			**24**	**24**

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 2021 (2020: EUR 10k) and for consulting services of EUR 20k in 2021 (2020: 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 (2020: EUR 8k) and for other legal services of EUR 3k in 2020 (2020: EUR 8k)

10.2 Key management personnel

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

10.3 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 171k was paid to Arendals Dampskibsselskab AS in 2021 (2020: USD 140k). 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 2021 fees totaling USD 171k (2020: USD 660k) were payable to Arendals Damskibsselskab AS for administrative and corporate management services and nil in relation to S&P commission (2020: USD 765k). At 31 December 2021 no amount was owed to Arendals Dampskibsselskab AS (2020: USD 2k).

11. Alternative performance measures

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.

11.1 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)	2021	2020
Net revenue		
Revenue	-	57 160
Voyage expenses	-	(14 182)
Total net revenue	**-**	**42 978**

11.2 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	2021	2020
On contract	-	726
Available but not on contract	-	50
Vessel operating days	**-**	**776**
Technical maintenance, dry dock	-	57
Total available vessel days	**-**	**833**

11.3 TCE per day

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 payment was made in NOK to all shareholders of ADS Maritime Holding Plc on 1 March 2021.

(In thousands of USD)	2021	2020
TCE		
Net revenue	-	42 978
Vessel operating days	-	776
TCE (in whole USD)	**-**	**55 362**

12. 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 payment was made in NOK to all shareholders of ADS Maritime Holding Plc on 1 March 2021.

13. Events after the reporting period

On 23 February 2022 Dagfinn Andersen was appointed as the new CFO of ADS Maritime Holding Plc, replacing Ben Boiling.

Limassol, 11 March 2020

The Board of Directors

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

Parent Company unconsolidated statement of comprehensive income

(In thousands of USD)	Note	2021	2020
Revenue		**-**	**-**
Operating expenses			
General & administrative costs	6	(481)	(492)
Total operating expenses		**(481)**	**(492)**
Operating profit		**(481)**	**(492)**
Finance cost		(3)	(3 570)
Finance income		3	2 381
Dividends from subsidiaries		-	16 000
Impairment	5	**(225)**	**-**
(Loss)/Profit before tax		**(706)**	**14 319**
Income tax		-	-
(Loss)/Profit after tax and total comprehensive income		**(481)**	**14 319**

Parent Company unconsolidated statement of financial position

(In thousands of USD)	Note	2021	2020
Assets			
Non-current assets			
Investments in subsidiaries	5	3 528	45 160
Total non-current assets		**3 528**	**45 160**
Current assets			
Other current assets	4	59	92
Cash and cash equivalents	3, 4	1 148	11 196
Total current assets		**1 207**	**11 288**
Total assets		**4 735**	**56 448**
Equity and liabilities			
Equity			
Issued share capital		4 678	4 678
Share premium		1 255	52 255
Retained earnings		(1 226)	(520)
Total equity		**4 707**	**56 413**
Current liabilities			
Trade payables	4	28	34
Total current liabilities		**28**	**34**
Total equity and liabilities		**4 735**	**56 447**

Parent Company unconsolidated statement of cash flows

(In thousands of USD)	2021	2020
Cash flows from operating activities		
Profit for the period	**(706)**	**14 320**
Adjustment for items not affecting operating cash flows:		
Finance cost	1	3 594
Dividends from subsidiaries	-	(16 000)
Interest income	225	(2 374)
Net operating cash flow before working capital movements	**(480)**	**(460)**
Working capital movements	26	(724)
Total operating cash flow	**(454)**	**(1 184)**
Cash flows from investing activities		
Loans repaid by/(to subsidiaries)	-	37 500
Changes in inter-company receivables	-	13 445
Dividends received in cash from subsidiaries	41 407	18 000
Total cash flows from investing activities	**41 407**	**68 945**
Cash flows from financing activities		
Repayment of loan	-	(37 500)
Interest paid	(1)	(2 374)
Interest received	-	2
Dividends and capital paid	(51 000)	(17 250)
Total cash flows used in financing activities	**(51 001)**	**(57 122)**
Net increase in cash and cash equivalents	**(10 048)**	**10 639**
Cash and cash equivalents at the beginning of the period	11 197	557
Cash and cash equivalents at the end of the period	**1 148**	**11 197**

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 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**	**51 207**	**(42)**	**55 844**

(In thousands of USD apart from number of shares)	Number of shares	Issued share capital	Share premium	Retained earnings	Total equity
Balance 1 January 2021	**23 390 300**	**4 678**	**52 255**	**(520)**	**56 413**
Total comprehensive loss for the period	-	-	-	(706)	(706)
Repayment of share premium	-	-	(51 000)	-	(51 000)
Balance at 31 December 2021	**23 390 300**	**4 678**	**1 255**	**(1 226)**	**4 707**

At 31 December 2021 the nominal value of the Company's authorized share capital is USD 1,000 million, consisting of 1,000,000,000 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 cash held at bank as summarized in the table below.

(In thousands of USD)	2021	2020
Cash and cash equivalents	1 148	11 196
Total financial assets	**1 148**	**11 196**

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.

		2021		2020	
(In thousands of USD)	*Fair value hierarchy*	Carrying value	Fair value	Carrying value	Fair value
Fair value of financial assets					
Cash and cash equivalents		1 148	1 148	11 196	11 196
Total		**1 148**	**1 148**	**11 196**	**11 196**
Fair value of financial liabilities					
Trade payables		28	28	34	34
Total		**28**	**28**	**34**	**34**

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)	2021	2020
Carrying value		
Investments at start and end of period	45 160	45 160
Dividend from subsidiary	(41 407)	-
Impairment	(225)	-
Total at end of period	3 528	45 160

During 2021 ADS Crude I AS, ADS Crude II AS and ADS Crude III AS were all liquidated and remaining net assets transferred to their parent company, ADS Crude Holding AS. ADS Crude Holding AS declared a dividend of USD 41.4 million to ADS Maritime Holding Plc in 2021. An impairment of USD 0.2 million was recognized on the Parent Company's investment in ADS Crude Holding AS.

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.

			Carrying value	
(In thousands of USD)	Country of incorporation	Equity interest	2021	2020
Name of subsidiary				
ADS Crude Holding AS	Norway	100%	3 753	45 160
Total			**3 753**	**45 160**

The Company has no loans to or receivables from any subsidiaries.

6. **Payments to auditor**

The statutory audit fee for the 2021 audit of ADS Maritime Holding Plc to RSM Cyprus Ltd is agreed at EUR 6.000 plus VAT (2020: EUR 12,000 plus VAT).

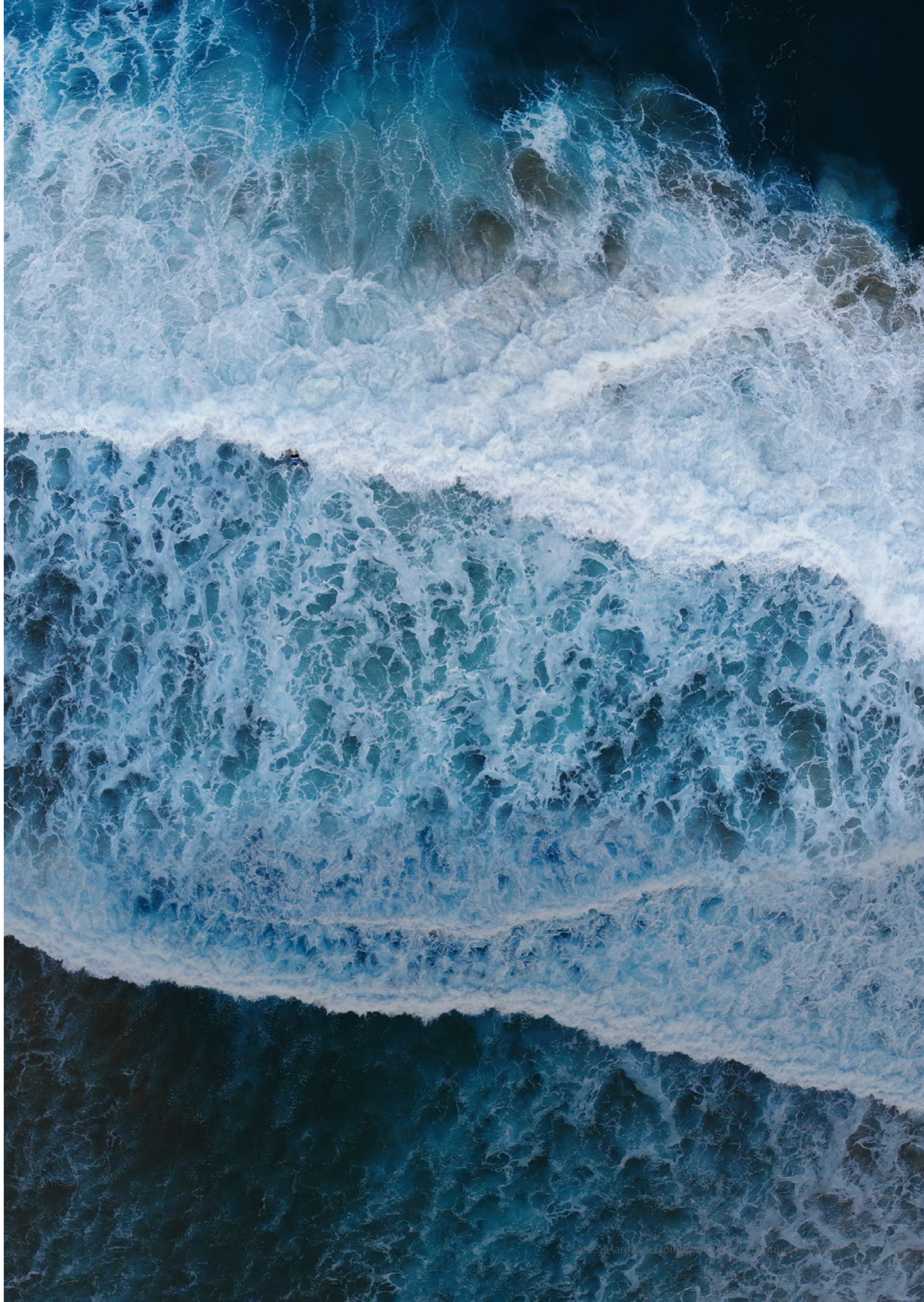
7. **Events after the reporting period**

On 23 February 2022 Dagfinn Andersen was appointed as the new CFO of ADS Maritime Holding Plc, replacing Ben Boiling|.

Limassol, 11 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 6 to 21 and comprise the consolidated statement of financial position as at 31 December 2021, 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 22 to 28 and comprise the unconsolidated statement of financial position as at 31 December 2021, 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 2021, 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. For the year ended 31 December 2021 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.

Independent Auditor's Report (continued)

To the Members of ADS Maritime Holding Plc

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, 11 March 2022

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