EXMAR

2021

COLOPHON

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FMO BV represented by Francis Mottrie – CEO
ACACIA I BV represented by Els Verbraecken
Maryam Ayati
Michel Delbaere
Wouter De Geest
Carl-Antoine Saverys
Stephanie Saverys
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Isabelle Vleurinck

Executive Committee
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Chief Executive Officer
FINMORE BV represented by Christine Verhaert
Chief Financial Officer
FLX Consultancy BV represented by Jonathan Raes
Executive Director Infrastructure
LISANN AS represented by Jens Ismar
Executive Director Shipping

Auditor
Deloitte Auditors
Represented by
Mr. Rik Neckebroeck and Mr. Ben Vandeweyer

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Questions can be asked by telephone at +32(0)3 247 56 11 or by e-mail to **corporate@exmar.be**, for the attention of FINMORE BV represented by Christine Verhaert (CFO) or Mathieu Verly (secretary).

In case you wish to receive our printed annual or half year report please mail: **annualreport@exmar.be**

The Dutch version of this financial report must be considered to be the official version

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Dear shareholders,

2021 was yet another exceptional year. Our special thanks go out to our colleagues at sea and on shore, who handled the ongoing challenges of the COVID pandemic with great dedication.

At this time of writing, the escalating conflict in Ukraine is already causing great uncertainty to 2022 not only from the human aspect, but also in terms of stability of global energy markets. In this context, EXMAR's floating solutions for the export and import of gas are an asset in the energy value chain.

For LPG and NH_3 (ammonia), freight rates remained stable at profitable levels. LNG natural gas prices continued to increase due to geopoliticaltensions and thus rising energy markets. Freight rates in LNG went from highs to lows, and remained very volatile.

For the liquefaction barge TANGO FLNG, EXMAR continued to engage with potential partners in commercial negotiations. The underlying energy and natural gas price is a boost.

The unit can be used to prevent flaring of natural gas. It avoids CO_2- and methane emissions as well as serving as a fast, deployable floating terminal for natural gas.

Our regasification barge FSRU S188 received more requests since the second half of 2021 and in the meantime an agreement was reached with GASUNIE for a five-year charter.

EXMAR sold a design of the fourth OPTI®-hull, for deployment in the Gulf of Mexico.

A major highlight in the past year for EXMAR was the delivery of two of the world's first dual-fuel Very Large Gas Carriers (VLGCs), "FLANDERS PIONEER" and "FLANDERS INNOVATION" which are capable of running on LPG as an emissions-reducing fuel. Both have been deployed on long-term charter.

Our other ships and barges performed in line with expectations, and our liquidity position was further strengthened in 2021, due to the YPF settlement and the successful GUNVOR arbitration.

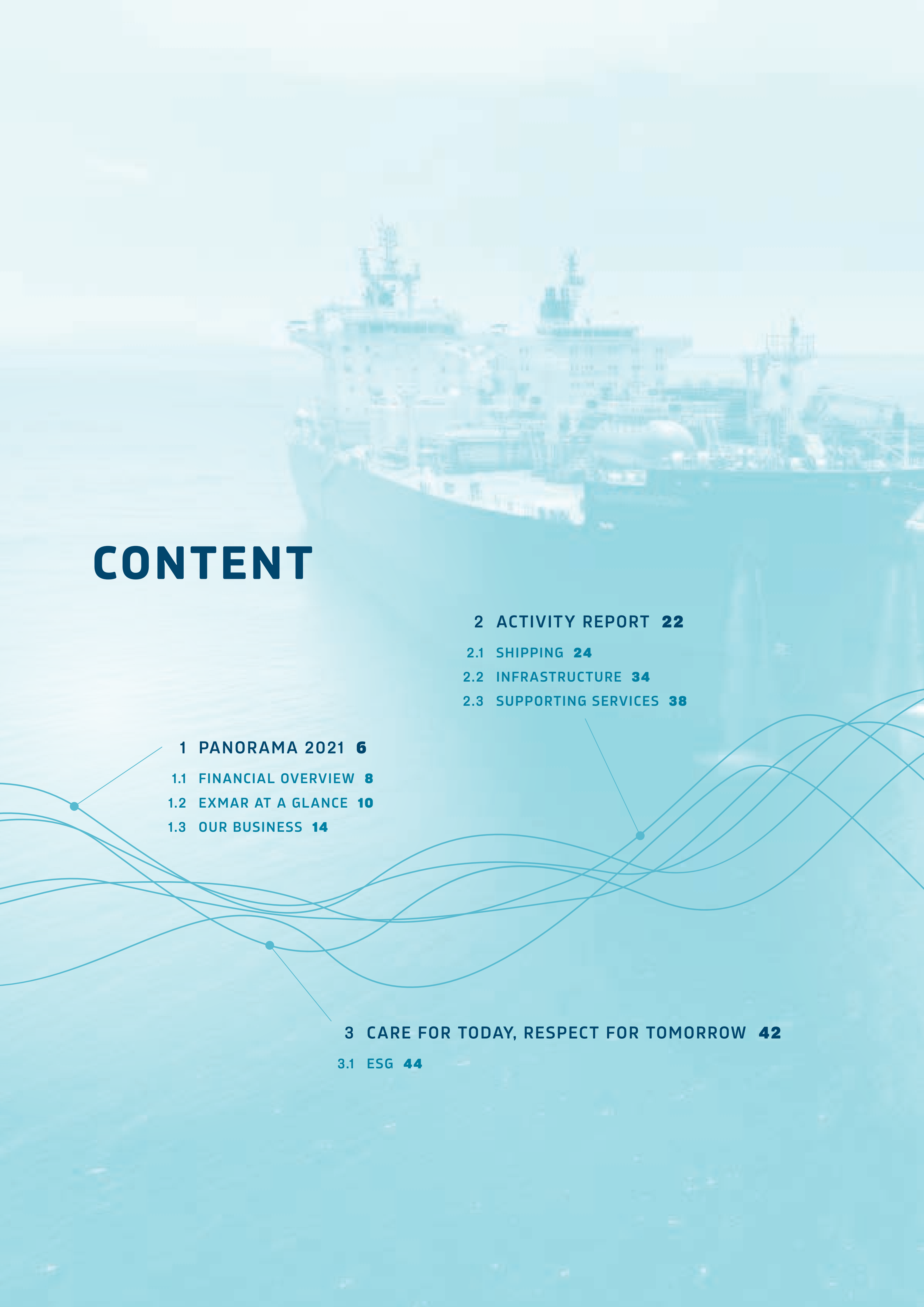
In November, EXMAR signed a three-year credit agreement with Sequoia Economic Infrastructure Income Fund for an amount of USD 50 million.

EXMAR is now actively pursuing innovations and research for energy transition and alternative fuels.

EXMAR concluded partnerships for the design of a new CO_2 tanker and new applications for NH_3 (ammonia) and H2 (hydrogen) as new opportunities emerge for the transportation of hydrogen.

On behalf of the Board of Directors and the Management of EXMAR, we would like to thank everyone once again for their loyal support to our Company.

Nicolas Saverys – Executive Chairman
Francis Mottrie – CEO



CONTENT

1 PANORAMA

1.1 FINANCIAL OVERVIEW

CONSOLIDATED KEY FIGURES

	International Financial Reporting Standards (IFRS) (1)		Management reporting based on proportionate consolidation (2)	
	2021	2020	2021	2020
CONSOLIDATED STATEMENT OF PROFIT OR LOSS (IN MILLION USD)				
Revenue	148.2	285.2	247.0	384.2
EBITDA	51.3	177.5	113.6	239.9
Depreciations and impairment losses	-48.9	-38.3	-76.6	-102.2
Operating result (EBIT)	2.4	139.2	37.0	137.6
Net finance result	-10.6	-28.4	-21.8	-42.6
Share in the result of equity accounted investees (net of tax)	21.8	-17.8	-1.5	-2.1
Result before tax	13.6	93.0	13.6	93.0
Tax	-1.9	-1.0	-2.0	-1.0
Consolidated result after tax	11.6	92.0	11.6	92.0
of which group share	11.6	91.9	11.6	91.9
INFORMATION PER SHARE (IN USD PER SHARE)				
Weighted average number of shares of the period	57,226,737	57,226,737	57,226,737	57,226,737
EBITDA	0.90	3.10	1.98	4.19
EBIT (operating result)	0.04	2.43	0.65	2.41
Consolidated result after tax	0.20	1.61	0.20	1.61
INFORMATION PER SHARE (IN EUR PER SHARE)				
Exchange rate	1.1894	1.1384	1.1894	1.1384
EBITDA	0.75	2.72	1.67	3.68
EBIT (operating result)	0.03	2.14	0.54	2.11
Consolidated result after tax	0.17	1.41	0.17	1.41

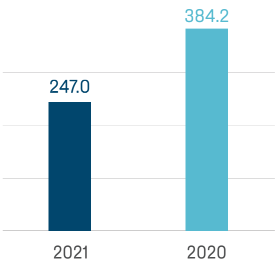
(1) The figures in these columns have been prepared in accordance with IFRS as adopted by the EU. i.e. joint ventures accounted for at equity method.
(2) The figures in these columns reflect management presentation and include the joint-ventures based on the proportionate consolidation method instead of the equity method.

A reconciliation between the amounts applying the proportionate method and the equity method is included in Note 3 Reconciliation segment reporting of the 2021 Financial report.

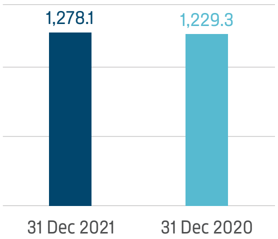
KEY RATIOS

(based on proportionate consolidation method, in million USD)

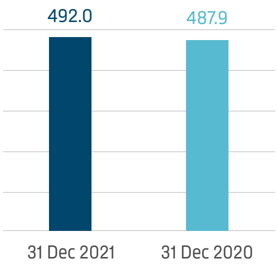
REVENUE



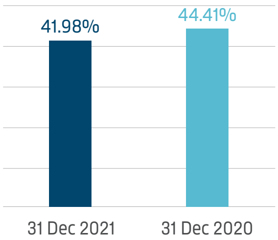
TOTAL ASSETS



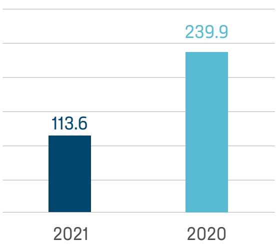
NET DEBT



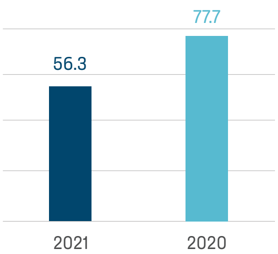
EQUITY RATIO



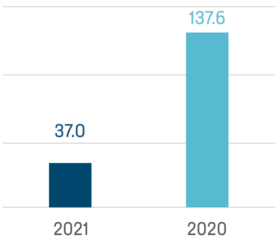
EBITDA



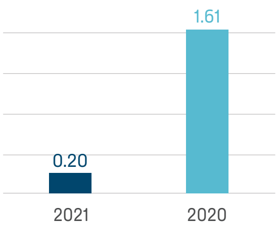
ADJUSTED EBITDA (*)



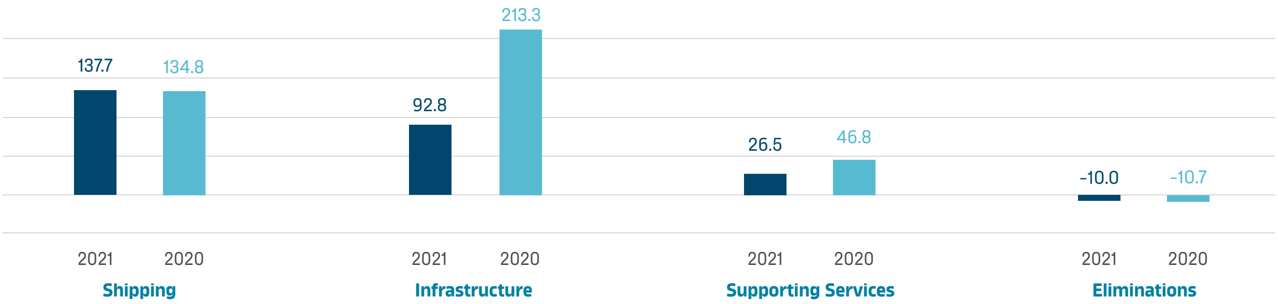
EBIT



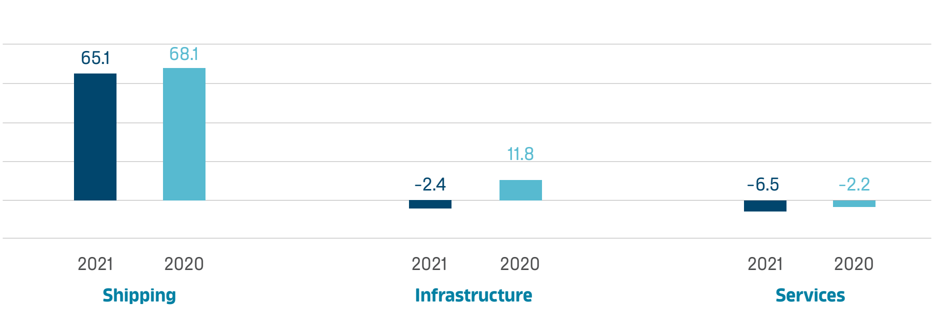
BASIC EARNINGS PER SHARE



REVENUE PER SEGMENT



ADJUSTED EBITDA PER SEGMENT (*)



(*) EBITDA adjusted for certain non-recurring transactions for which management believes that excluding these provides better insights in the actual performance of the Group.

The following items have been excluded from the adjusted EBITDA calculation:

> 2021: early termination fee for the FSRU S188 charter agreement by Gunvor (Infrastructure: USD 56.8 million) and other cancellation fees at Supporting Services (USD 0.5 million);
> 2020: settlement fee YPF (Infrastructure: USD 149.1 million) and cancellation fee Excelerate (Services: USD 13.0 million).

1.2 EXMAR AT A GLANCE

SHARE INFORMATION

The EXMAR share is listed on Euronext BRUSSELS and is a part of the BEL Small Index (EXM). Reference shareholder is Saverex NV.

Participation as per 31 December 2021:

Total

59,500,000

shares

47.388%	43.79%	3.82%	5.002%
Freefloat	Saverex	EXMAR	Cobas Asset Management S.G.I.I.C. SA

EXMAR IN THE WORLD

FINANCIAL CALENDAR

28 April 2022	Results 1st quarter 2022
17 May 2022	Annual shareholders meeting
8 September 2022	Results 1st semester 2022
27 October 2022	Results 3rd quarter 2022

PERSONNEL

Total

1,849

of which

1,615 seagoing

234 onshore

Headquarters

♂ 83 ♀ 69

Share female employees headquarters:

45%

Nationalities

43

nationalities present (seafarers and onshore)

TIMELINE

February 2021

The accommodation barge WARIBOKO starts its employment for Total Exploration & Production.

April 2021

EXMAR receives a notice of early termination from charterers GUNVOR, following the positive interim award in the ongoing arbitration in relation to the charter party of the FSRU S188.

June 2021

Delivery of FLANDERS INNOVATION.

July 2021

- Completion ex-yard of EOC's third OPTI® based semisubmersible floating production system for KING'S QUAY project in the Gulf of Mexico.
- MoU on NH_3 fuelled ship with NUTRIEN.

August 2021

Sale of TOURAINE.

September 2021

- Sale of TEMSE.
- Delivery of FLANDERS PIONEER.

October 2021

- Fourth OPTI® hull design awarded for Shenandoah Project in the Gulf of Mexico.
- Joint development of CO_2-carrier with LATTICE.

1.3 OUR BUSINESS

EXMAR is a provider of floating solutions for the operation, transportation and transformation of gas. EXMAR's mission is to serve customers with innovations in the field of offshore extraction, transformation, production, storage and transportation by sea of liquefied natural gases, petrochemical gases and liquid hydrocarbons.

EXMAR SHIPPING

EXMAR is a leading ship owner and operator in the transportation of Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Ammonia (NH_3) and Petrochemical Gases. These industrial niche shipping markets predominantly feature established players with a long-term operational focus. The unique characteristics of the products transported require highly sophisticated vessels as well as specialized operational skills both on board the vessel and ashore. With expertise and knowledge gained from its shipbuilding origins, EXMAR has become a globally renowned owner and operator in this segment with focus on pioneering energy supply chain solutions and maritime technical innovation. This has been possible through our own in-house technical ship management and technical research and development department.

Today, EXMAR controls a fleet of 37 ships and barges which are either fully owned, owned in joint venture or time chartered. The complete fleet list includes the following types of gas tankers and barges:

Fully pressurized gas carriers:

EXMAR owns 10 pressurized vessels with a capacity of between 3,500-5,000 m^3. The cargoes, usually LPG or less complex petrochemical gases to transport, are carried at near-ambient temperatures in cylindrical steel pressure tanks designed to withstand pressures up to 20 bar.

Fully refrigerated gas carriers (MGC, VLGC):

The majority of the EXMAR fleet are fully-refrigerated vessels with prismatic cargo tanks designed to carry products at low temperature (mostly fully refrigerated LPG and ammonia) and near-ambient pressure. This is made possible by installed refrigeration plants which ensure these vessels' efficiency for long-haul trading. Fully-refrigerated gas carriers are usually above 20,000 m^3 to benefit from economies of scale and scope.

- **Midsize Gas Carriers (MGC):**
  EXMAR currently owns 17 vessels in joint venture and time charters another two vessels, all with a capacity between 35,000-38,000 m^3.
- **Very Large Gas Carriers (VLGC):**
  EXMAR currently owns two state of the art LPG-fuelled vessels with a capacity of 88,000 m^3 and it time-charters one vessel with a capacity of 83,000 m^3.

Liquefied Natural Gas carrier (LNG):

EXMAR currently owns one LNG carrier which is primarily used for transporting LNG worldwide. She has also served as floating LNG storage in locations where on-site storage facilities are limited.

Floating Liquefaction, regasification and accommodation vessels:

EXMAR owns two units that are used for liquefaction or regasification of LNG. The Company also owns two purpose-built offshore accommodation barges. Please refer to the Infrastructure chapter for a detailed explanation of the use of these units.

UPDATED FLEET LIST

MGC – MIDSIZE GAS CARRIERS

	Type	Capacity 100% (m^3)	Year built	Flag	Status
Eupen	Midsize LPG	39,375	1999	Liberia	joint venture
Libramont	Midsize LPG	38,940	2006	Belgium	joint venture
Sombeke	Midsize LPG	38,902	2006	Belgium	joint venture
Kaprijke	Midsize LPG	38,837	2015	Belgium	joint venture
Knokke	Midsize LPG	38,853	2016	Belgium	joint venture
Kontich	Midsize LPG	38,867	2016	Belgium	joint venture
Kortrijk	Midsize LPG	38,880	2016	Belgium	joint venture
Kruibeke	Midsize LPG	38,871	2017	Belgium	joint venture
Kallo	Midsize LPG	38,850	2017	Belgium	joint venture
Kapellen	Midsize LPG	38,860	2018	Belgium	joint venture
Koksijde	Midsize LPG	38,849	2018	Belgium	joint venture
Waasmunster	Midsize LPG	38,498	2014	Belgium	joint venture
Warinsart	Midsize LPG	38,465	2014	Belgium	joint venture
Waregem	Midsize LPG	38,442	2014	Belgium	joint venture
Warisoulx	Midsize LPG	38,480	2015	Belgium	joint venture
Wepion	Midsize LPG	38,577	2018	Belgium	joint venture
Bastogne	Midsize LPG	35,572	2002	Belgium	joint venture
Antwerpen	Midsize LPG	35,223	2005	Hong Kong	time chartered
Sylvie	Midsize LPG	35,217	2007	Hong Kong	time chartered

VLGC – VERY LARGE GAS CARRIERS

	Type	Capacity 100% (m^3)	Year built	Flag	Status
BW Tokyo	VLGC	83,270	2009	Singapore	time chartered
Flanders Pioneer	VLGC	87,812	2021	Belgium	owned
Flanders Innovation	VLGC	87,809	2021	Belgium	owned

PRESSURIZED SHIPS

	Type	Capacity 100% (m^3)	Year built	Flag	Status
Sabrina	Pressurized	5,018	2009	Hong Kong	owned
Helane	Pressurized	5,018	2009	Hong Kong	owned
Fatime	Pressurized	5,018	2010	Hong Kong	owned
Debbie	Pressurized	3,540	2009	Hong Kong	owned
Anne	Pressurized	3,540	2010	Hong Kong	owned
Magdalena	Pressurized	3,540	2008	Hong Kong	owned
Joan	Pressurized	3,540	2009	Belgium	owned
Marianne	Pressurized	3,540	2009	Belgium	owned
Elisabeth	Pressurized	3,540	2009	Belgium	owned
Angela	Pressurized	3,540	2010	Belgium	owned

LNG – LIQUIFIED NATURAL GAS CARRIER

	Type	Capacity 100% (m^3)	Year built	Flag	Status
Excalibur	LNG	138,034	2002	Belgium	joint venture

FLOATING LIQUEFACTION AND REGASIFICATION BARGES

	Type	Capacity	Year built	Flag	Status
FSRU S188	FSRU	3 MTPA	2017	Liberia	owned
Tango FLNG	FLNG	0.5 MTPA	2017	Liberia	owned

OFFSHORE ACCOMMODATION BARGES

	Type	Capacity	Year built	Flag	Status
Nunce	Accommodation	350pax	2009	Liberia	joint venture
Wariboko	Accommodation	300pax	2010	Liberia	joint venture

Value chain & cargo

To analyse market drivers at work, it is important to understand how energy products are produced and developed throughout the value chain and their use in consumption markets. Unlike dry cargo or crude markets, the products transported are not raw products but are semi- or fully manufactured.

For this reason many different market forces exert influence on the business, each one with its own inherent complexity.

LNG – Liquefied Natural Gas:

LNG can be defined as a natural gas that has been cooled down to liquid form, reducing it to one-six-hundredth of its original volume at minus 164 degrees Celsius. Natural gas is used to produce electricity, and serves as an industrial feedstock for fertilizers and a wide range of plastics. It is also deployed for heating in a commercial or residential setting. To be able to transport LNG, LNG carriers equipped with special insulation have been designed and built forming their own LNG shipping segment.

EXMAR owns one LNG carrier which is currently operated in worldwide trading. She is used for the transportation of product as well as for floating storage in locations where onshore storage is limited.

LPG – Liquid Petroleum Gas:

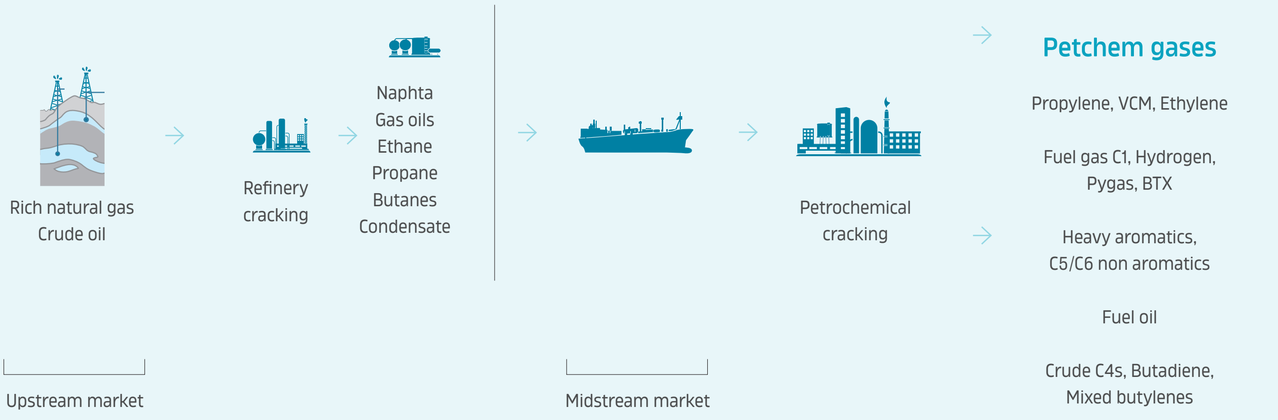
As shown in the LPG value chain, LPG is produced during oil refining or extracted from natural gas liquid processing activities. LPG, mainly propane and butane, is a subsequent by-product. LPG can be used for a variety of purposes such as feedstock in refineries and the petrochemical industry, as fuel for vehicles, agricultural needs such as crop drying or to a lesser extent to feed power plants. With the global continued growth in natural gas production, increasing quantities of LPG are expected to be produced and shipped worldwide.

EXMAR currently operates 19 midsize gas carriers (MGC), each with a capacity of between 35,000-38,000 m^3. These vessels are fully refrigerated, are equipped with prismatic tanks and move the LPG at temperatures around minus 48 degrees celcius.

EXMAR also owns and operates two state of the art dual-fuelled (LPG) vessels. These vessels are very large gas carriers (VLGCs) with a capacity of 88,000 m^3. These vessels have been designed to run on LPG as a marine fuel, which considerably reduces greenhouse gas emissions (by up to 15% of carbon dioxide, up to 10% of nitrogen oxide, and up to 90% of particulate matter).

A third VLGC is in-chartered on longer term.

LPG VALUE CHAIN



> **Polypropylene** fibres, fabrics, injection mouldings, car appliances, toys, ...
> **Polyvinyl chloride (PVC)** pipes, electric cables, signs, clothing, furniture, healthcare, flooring, ...
> **Polyethylene** food packaging, milk, water and juice bottles, power cables, chemical containers, injection mouled products, ...
> **Rubbers** car tyres, sport shoes, ...
> **Styrenes** foam, insulations, ...

Downstream market

NH_3 – Anhydrous ammonia:

Ammonia (NH_3) is usually obtained from adding nitrogen through a steam performing process with natural gas as principal feedstock. It is mainly used as a basic component in the production of fertilizers (urea, nitrates & NPK), civil explosives or caprolactan (for industrial ends such as synthetic textiles and airbags in cars).

To support global decarbonization, the focus on ammonia production and storage is increasing globally, considering its potential in terms of a notable reduction in polluting emissions as well as its potential as a solution for hydrogen transport. For the shipping sector, ammonia is expected to be used as a mainstream marine fuel in a few years from now, thereby reducing CO_2 emission of tailpipe gases to nearly zero.

Ammonia is transported in EXMAR's fully refrigerated midsize gas ships with prismatic tanks, enabling the ship's cargo carrying capacity to be maximized. The cargo is kept at -33 degrees celcius. About 33% of all ships in EXMAR's fleet is dedicated to transporting ammonia.

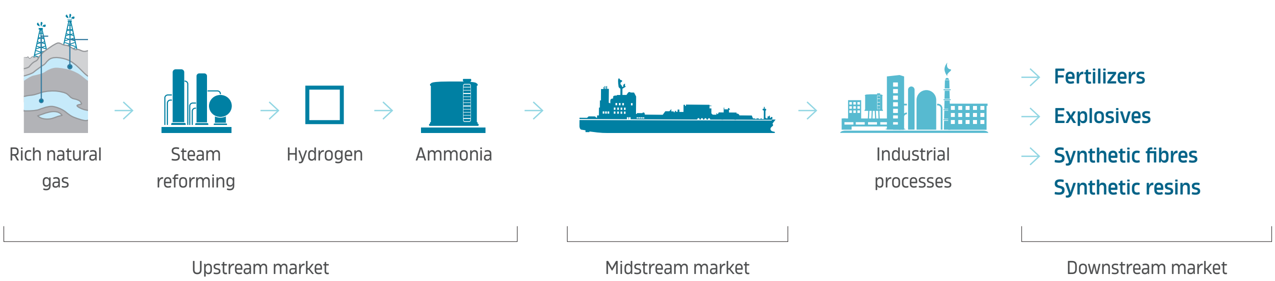
EXMAR has signed a Memorandum of Understanding with the Canadian fertilizer company Nutrien to build and operate one or more ammonia-fuelled ships. This collaboration aims to significantly reduce NUTRIEN's emissions in its maritime transportation.

Petrochemical gases:

Also depicted in the LPG value chain infographic, petrochemical gases are produced at the end of the petrochemical flow and derived from the steam-cracking process of oil and gas. These gases mainly consist of ethylene and propylene which are used to make various polymers and plastics. VCM (Vinyl Chloride Monomer) and Crude C4s are mainly used to produce PVC and rubber products, respectively.

EXMAR owns and operates 10 pressurized vessels with a capacity between 3,500 to 5,000 m³. These vessels, usually carrying LPG or less complex petrochemical gases, are trading either side of the Suez Canal on long-term basis.

AMMONIA VALUE CHAIN



Transported products and ship-to-ship activities

EXMAR has safely and reliably performed no less than 782 voyages in 2021 bringing gas products to their clients across the globe in a safe and reliable fashion. The charts show the total amount of cargoes carried and voyages performed for each of the segments EXMAR is active in. About 68% of cargoes taken were LPG, 19% ammonia, 7% petrochemical gases and 6% LNG.

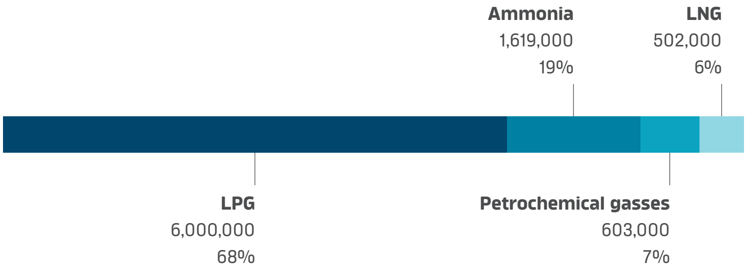
EXMAR has established itself as a reliable market player involved in change of grade activities as well as seaborne ship-to-ship transfers. The trading flexibility these activities offer EXMAR's customers often occurs in the Midsize gas segment, which accounts for most of EXMAR's fleet. In addition to vessel size limitations, port or operational restrictions are often factors requiring owners to load/discharge cargoes from/into smaller vessels at sea. Safe ship-to-ship transfers require experienced crews, diligent coordination and the use of adequate equipment.

In this respect, EXMAR prides itself with its proven track-record and clean safety sheet, having performed as many as 247 STS operations in 2021. Most transfers were done for butane (53%) and propane (29%), while the remainder (18%) constituted LPG mixes.

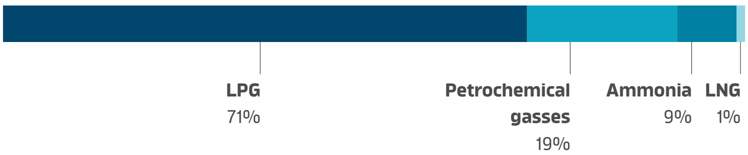
TOTAL CARGO MOVED IN 2021

Total

8,724,000 mt



NBR OF VOYAGES 2021



EXMAR INFRASTRUCTURE

EXMAR Infrastructure aims at developing innovative and fast track oil and gas infrastructure solutions to support the energy industry in providing communities with clean and affordable energy.

EXMAR Infrastructure currently owns four barge-based floating infrastructure units for this purpose: two floating LNG terminals, TANGO FLNG and FSRU S188, and two accommodation barges, NUNCE and WARIBOKO. EXMAR Offshore Company in Houston (EOC) and DV Offshore in Paris (DVO) complete the Infrastructure activities with strong marine and production engineering capabilities.

TANGO FLNG is a floating LNG terminal which liquefies natural gas into LNG, which is then offloaded into LNG carriers laying alongside for export to LNG-importing countries.

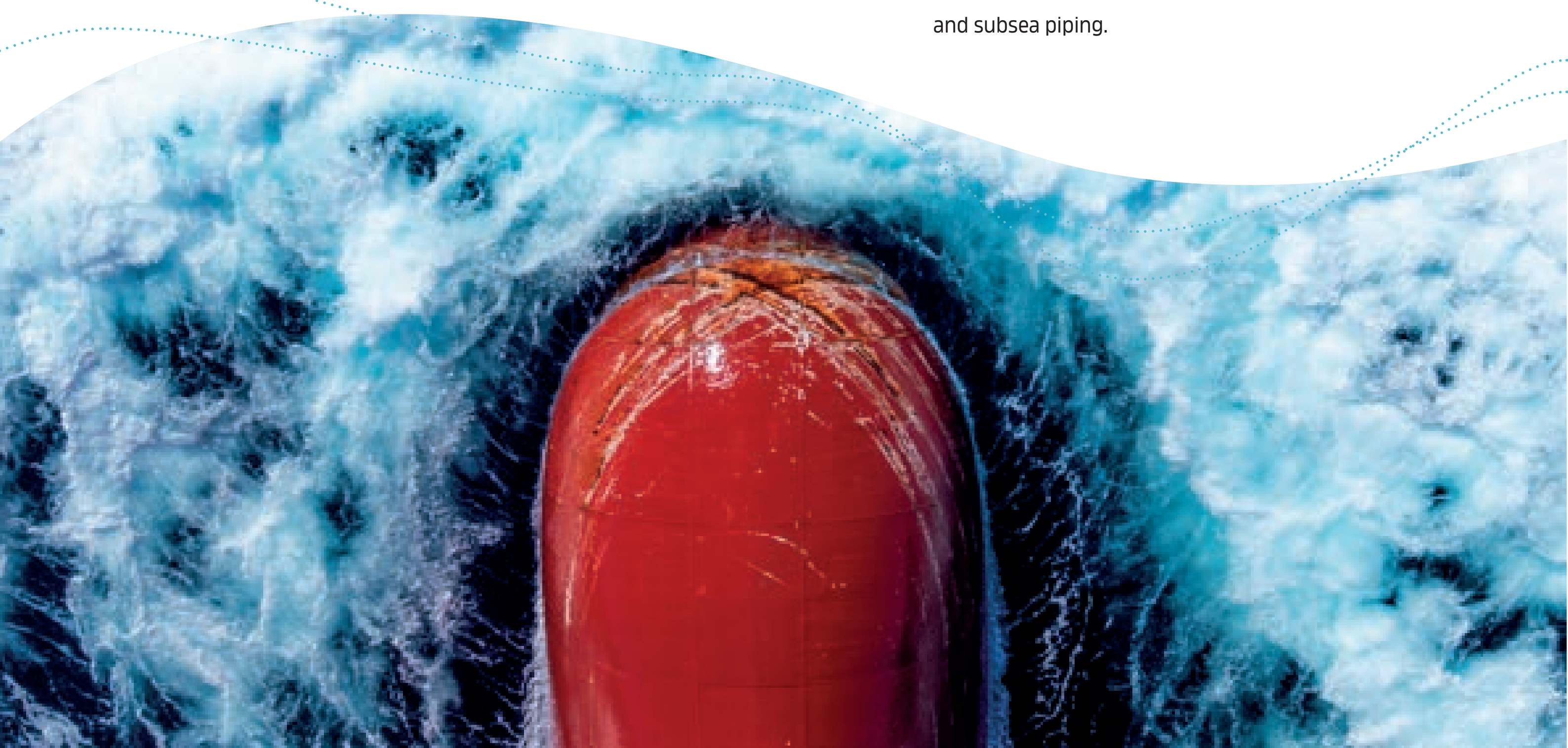
The FSRU S188 regasifies imported LNG and injects the natural gas into the onshore pipeline infrastructure for domestic consumption, power production or other industrial applications.

Both units offer fast-track, flexible and cost-efficient floating alternatives to land-based terminals traditionally used for LNG import/export. The TANGO FLNG and FSRU S188 allow customers to enter these markets at a more competitive cost than ever before. They can be mobilized quickly and without major investment on site next to the pipeline infrastructure.

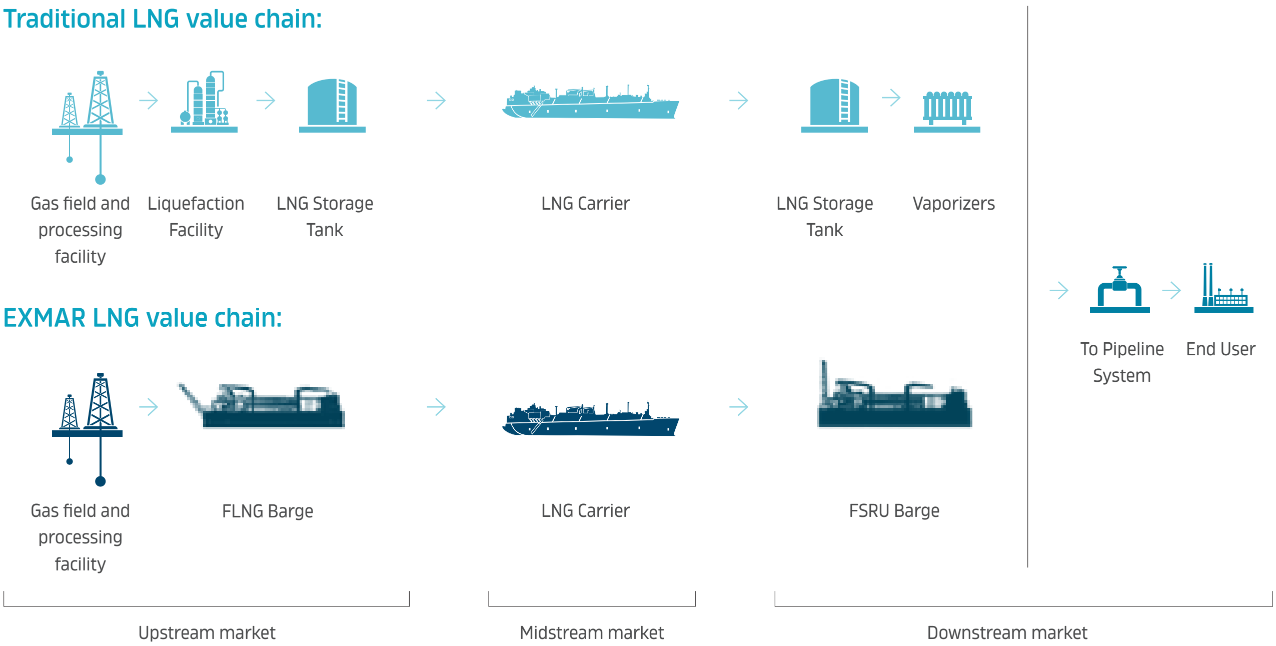
WARIBOKO and NUNCE are both accommodation and work barges which can accommodate up to respectively 300 to 350 people on board, offering cabins of various sizes, catering and leisure activities. Accommodation barges provide essential onsite support for oil and gas exploration and production companies . They provide the necessary flexible living quarters infrastructure to operators and contractors in the immediate neigbourhood of offshore oil and gas activities.

EXMAR Offshore Company (EOC) is a recognized oil and gas engineering company established in 1997 with more than 75 experts ranging from professional engineers to naval architects. EOC has developed a proprietary hull design OPTI® for floating oil and gas production platforms in deep water areas such as the Gulf of Mexico. With four OPTI® production facilities delivered based on the OPTI® design, EOC has become a recognized and reputable supplier of cost-effective and purpose-built project solutions in this area.

DV Offshore is a niche marine expert contractor which belongs to the EXMAR group since 1999 and provides contracted engineering, audits and technical assistance to oil & gas companies with respect to floating terminals, offshore mooring installations and subsea piping.



LNG VALUE CHAIN



Implementing floating oil and gas infrastructure requires dedicated and extensive project development effort and time. Each project has specific infrastructure needs for processing the product, mooring, storage as well as regulatory approvals.

The in-house availability of turnkey expertise in oil & gas handling and storage, engineering of mooring and other marine infrastructure, combined with operations and maintenance capabilities are the unique added value EXMAR provides its clients in this respect.

By taking care of all development aspects, from feasibility studies and moving into ownership, leasing, installation, testing and all-in-one operations and maintenance services, EXMAR offers the customer the assurance and comfort of a fast-track, cost-effective and low-risk solution for his business case.

The Infrastructure business unit has now established offices and representatives in Antwerp, Houston, Singapore, Paris, Shanghai, Luanda, Pointe Noire, Nigeria and Livorno.

SUPPORTING SERVICES

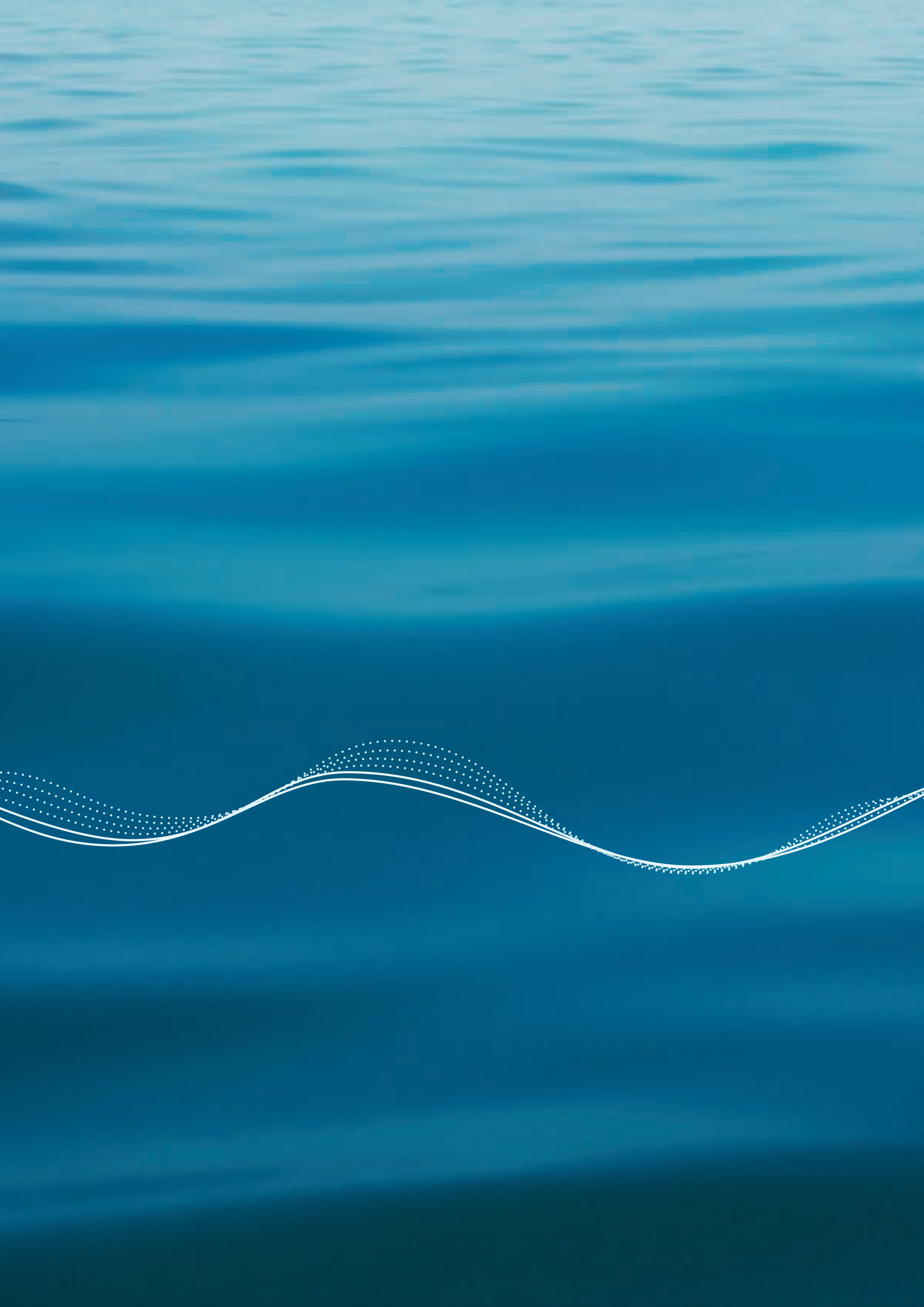
In addition to its core business activities, EXMAR has business interests in a variety of companies in the fields of ship management, specialized travel and components to the marine and offshore industry.

EXMAR Shipmanagement BV specializes in expertise-based niche segments such as managing floating storage, regasification and liquefaction marine infrastructure, Very Large Gas Carriers (VLGCs), Midsize Gas Carriers, Pressurized gas carriers and offshore accommodation barges.

Travel PLUS, located in Antwerp, is specialized in business and leisure travel.

EXMAR Yachting is a full-service luxury yachting specialist based in Belgium offering comprehensive yacht management, chartering, crewing and brokerage services.

BEXCO is a leading European manufacturer of precision-engineered synthetic mooring, towing and lifting ropes for offshore, renewables, marine and industrial applications.



2 ACTIVITY REPORT

2.1 SHIPPING

EXMAR Shipping is a leading shipowner in the transportation of liquefied gas products (LPG, anhydrous ammonia and petrochemical gases). As a prominent midsize LPG operator, EXMAR benefits from long-term contracts with first-class customers.

PROPORTIONATE CONSOLIDATION (IN MILLION USD)	2021	2020
Revenue	137.7	134.8
EBITDA	65.1	68.1
Adjusted EBITDA	65.1	68.1
Operating result (EBIT)	26.9	-7.8
Consolidated result after tax	10.7	-26.2
Vessels (owned and leased)	570.7	475.6
Financial debts	469.8	389.3

MARKET OVERVIEW

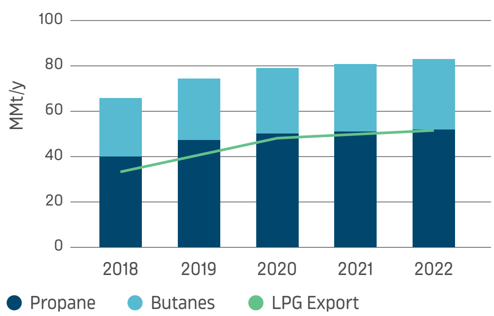
During 2021 the global COVID-pandemic continued to distort economic activities worldwide with far reaching consequences for different shipping segments. With high consumer demand and seaborne as well as land-based congestion, the container and liner markets reached unprecedented high rates, while tanker markets struggled with reduced demand and low rates. Dry bulk and especially smaller vessels benefitted from the container market boom as importers, exporters and traders sought alternative seaborne cargo transportation.

In the gas markets the LNG shipping rates were exceptionally high due to a combination of geopolitical tensions as well as low storage levels. The LPG market, especially the larger VLGC segment, was highly volatile with the year starting at record-high freight rates. A few months followed where rates fell close to OPEX levels and then recovered again towards the end of the year. Rates for both midsize and smaller LPG vessels, which account for the majority of the EXMAR fleet, remained stable at rewarding levels throughout the year.

Focus has been maintained by regulators on how to decarbonize the shipping industry. As of 2023, the International Maritime Organization (IMO) will implement new rules aimed at reducing greenhouse gas emissions from shipping. The European Union (EU) is also working on new regulations that will apply to vessels trading within Europe as well as to and from Europe. These regulations are expected to take effect as from 1 January 2023 and will favour newer vessels and incentivise investments in new, low and zero-carbon fuels. The legislation will also influence vessel-speed reductions.

In 2021 seaborne LPG volumes totalled 111 million metric tons as compared to 105 million metric tons in 2020. The USA remained the largest exporting country of LPG while Asia and mainly China was the biggest importer. The rise in US export volumes totalled approximately three million tons more compared to 2020, achieving 49 million tons in 2021. The projection for US exports of LPG for 2022 is yet another increase to 51 million tons. However, this reflects a much more moderate increase in US exports than in previous years. Exports from the

US GAS PLANT LPG PRODUCTION AND SEABORNE EXPORTS



Source: Poten & Partners

Middle East rose from 35.2 million tons in 2020 to 36.2 million tons and are expected to further increase to 40 million tons, mainly out of Saudi Arabia and Kuwait, as OPEC will gradually lift the crude production cuts by the third quarter of 2022.

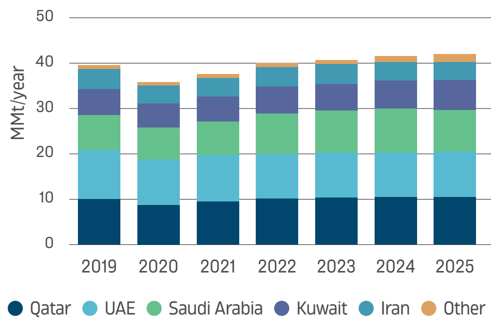
Demand growth for new Propane Dehydrogenation (PDH) Plants is expected to further support propane imports with more than seven million metric tons throughout 2022 and 2023. With the USA remaining the biggest exporter and China the biggest importer, the corresponding increases in ton-miles will benefit vessel utilization.

Ammonia markets saw an uplift in demand by 2.3 million tons in 2021 to a total shipped volume of approximately 18 million tons after a decrease of the volumes in 2020 as a result of COVID-19.

Main export regions are Trinidad, the Black Sea and the Middle-East Gulf. Around 30% of the Midsize Gas Carriers are employed in ammonia trading, which represents a major driver for this segment.

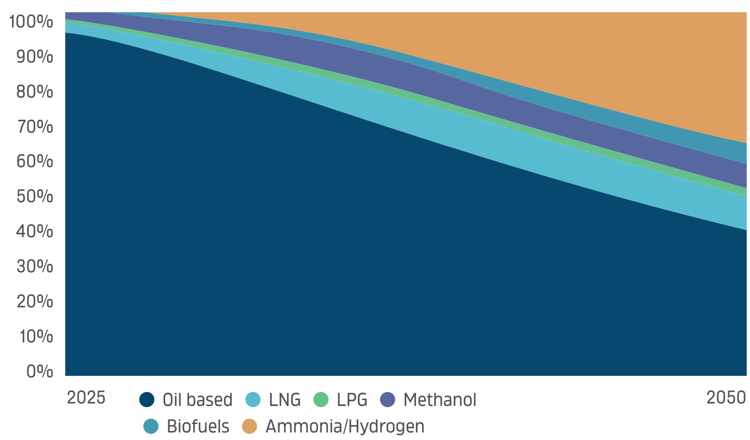
Major new applications for ammonia as a future alternative, zero carbon bunker fuel and as a hydrogen carrier offer an interesting volume and upside potential in the medium long term.

MIDDLE EAST LPG EXPORTS



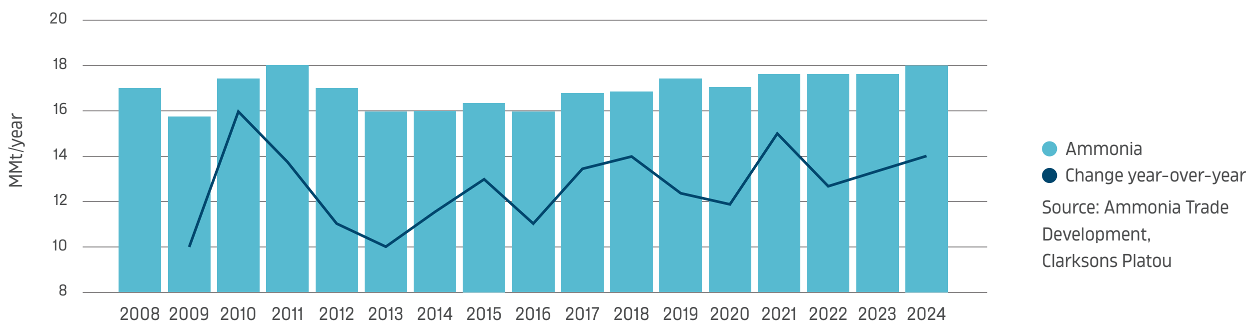
Source: Poten & Partners

PROJECTED MARINE FUEL USE TO 2050



Source: American Bureau of Shipping

TOTAL SEABORNE TRADE



Source: Ammonia Trade Development, Clarksons Platou

VERY LARGE GAS CARRIERS (VLGC)

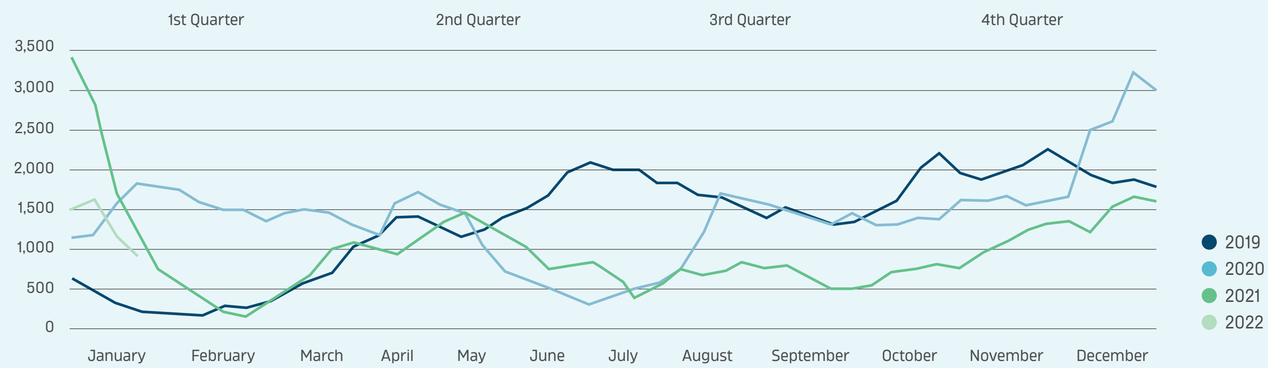
2021 was a volatile year with VLGC freight markets experiencing both extreme highs and lows during the year which impacted average rates. The US-exports into Asia continued to increase the ton-miles demand and this looks like being the trend going forward.

Substantial delays caused by congestion at the Panama Canal tightened the market and pushed rates up for LPG-laden VLGCs heading to Asian ports. The Panama Canal Authorities introduced a booking system which negatively impacted gas carrier transits resulting in waiting times of up to as much as two weeks. In addition the impact of the pandemic on port operations caused heavy delays, especially in the Far East where many ports shut down during certain periods.

On the vessel supply side, 21 newbuild VLGCs were delivered in 2021, which brings the total existing fleet to 339 units. Another 78 are expected by 2024 bringing the total number of VLGCs to 417. The vast majority of these newbuilds are LPG-fuelled and ready to conform to the new IMO emissions regulations entering into force in 2023. This fleet growth is required in order to support current global economic growth in Asia. With 13 propane dehydrogenation (PDH) plants expected to come on stream as from 2022, China will import up to seven million tons of additional LPG in the years to come. Depending on when these PDH plants will be operational, it is expected that China will import no less than 27 million tons of LPG in total.

EXMAR took delivery of two LPG fuelled 88,000 m^3 VLGC newbuildings, FLANDERS INNOVATION and FLANDERS PIONEER in June and September 2021. Both vessels have entered into a long-term time-charter agreement with Equinor ASA (Norway). These vessels were the first VLGCs ordered globally with dual fuel engines able to burn LPG on the main engine, substantially reducing emissions and underlining EXMAR's ability to innovate. Since then the world fleet has followed suit with over 70 additional LPG-fuelled VLGCs on order, which endorses the claim that LPG is becoming the standard bunker fuel for future seaborne VLGC trading.

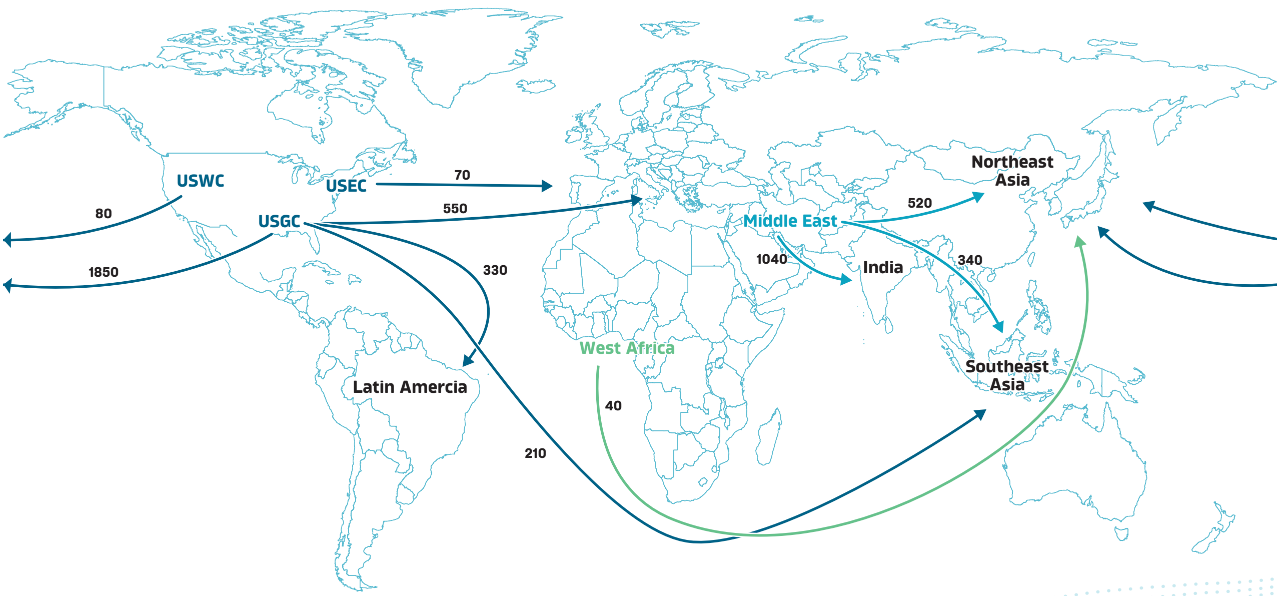
WEEKLY VLGC SPOT TIME CHARTER EQUIVALENT (THOUSAND USD PCM)



The jointly-controlled BW TOKYO VLGC performed well in the course of 2021, mainly covered by a time charter with major LPG trader Trafigura. At the end of the year the vessel joined the BW VLGC pool on the basis of a revenue sharing system.

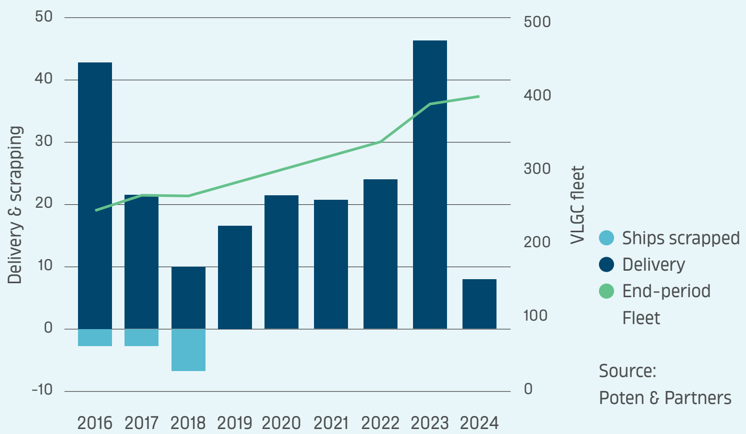
DIRECTION OF TRADE – VLGC/LGC DEPARTURES, DECEMBER 2021

Volumes in thousand tons



Source: Poten & Partners

VLGC FLEET SUPPLY DEVELOPMENT



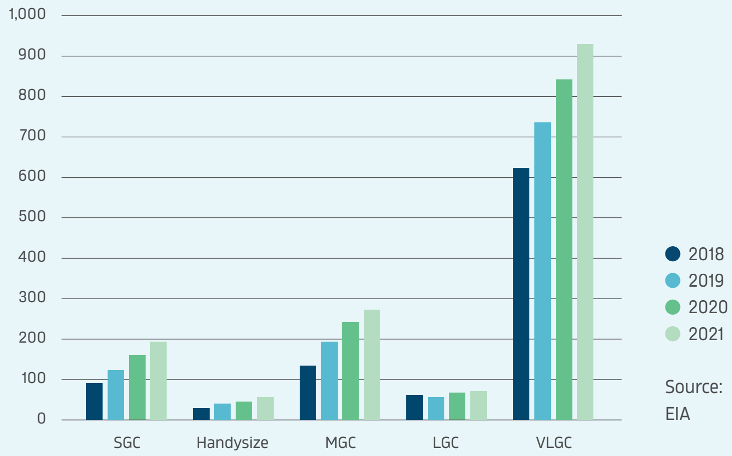
Source: Poten & Partners

MIDSIZE GAS CARRIERS (MGC)

LPG market demand trends had a beneficial effect on the midsize segment during 2021 and prospects look similarly positive ahead for future cargoes. The USA remains the main exporter and have experienced an increase close to 15% in MGC exports in the past few years, year on year. As US exports typically represent longer haul voyages, also on Midsize, they substantially underpin vessel utilization.

The MGC's fleet growth is sizeable with an expected increase in the period 2022-2024 of 36 ships or about 30% of the total current fleet to a total of 138 ships by 2024. Despite the world MGC fleet reaching a historic high, the corresponding capacity growth is expected to accommodate increasing LPG transportation needs. This will emerge mainly out of the USA, Gulf and Middle East, combined with a gradual growth in long-haul Ammonia volumes. The majority of the MGC newbuilds have dual fuel LPG propulsion.

NUMBER OF LPG LOADINGS EX-US



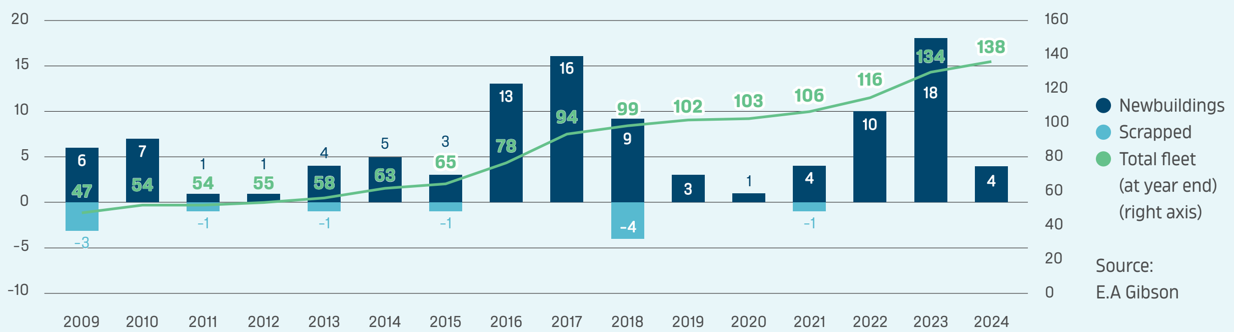
Source:
EIA

EXMAR, which has a 50/50 Joint Venture with Seapeak (former Teekay LNG Partners) for the Midsize fleet, continues to build on its existing loyal customer base with extensions of existing time charter contracts at rewarding levels. At the beginning of 2022, 79% of EXMAR's Midsize fleet has already been committed to these clients.

During 2021, 33% of EXMAR's midsize fleet was dedicated to transporting ammonia and 67% to LPG. For 2022 the ammonia share is expected to increase up to 40%.

The average age of the MGC fleet has decreased with the sale of the semi-refrigerated vessel TEMSE (12,000 m³ - 1995 built) as well as the fully refrigerated TOURAINE (39,000 m³ - 1996 built) and BRUSSELS (35,000 m³ - 1997 built).

MGC FLEET



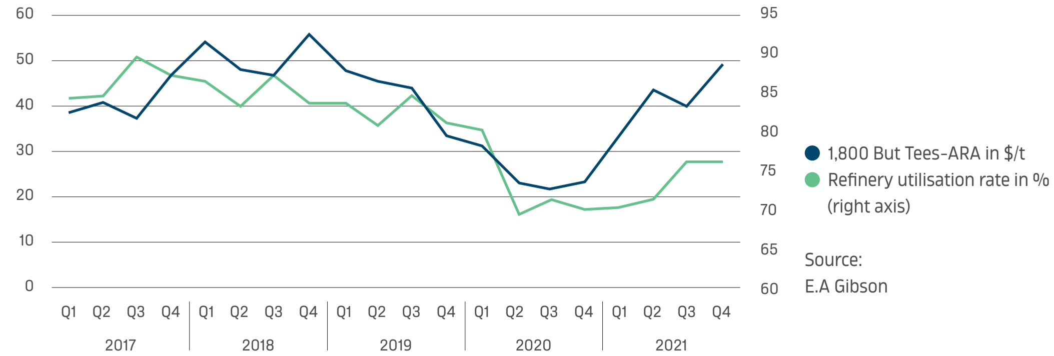
PRESSURIZED

West of Suez, refinery runs increased in 2021 after a market dip in 2020 due to the pandemic impacting demand. This in turn had a positive effect on vessel utilisation and rates in the pressurized segment. Small parcels transported on pressurized ships go hand in hand with refinery runs as demonstrated in the chart below. Pre-pandemic market levels have been reached again and going forward, 2022 is expected to offer equally firm prospects.

In Asia, increasing demand combined with stringent COVID-19 regulations in various countries motivated charterers to fix forward which tightened the availability of spot pressurized ships. For both spot and time charter markets this resulted in rewarding market conditions.

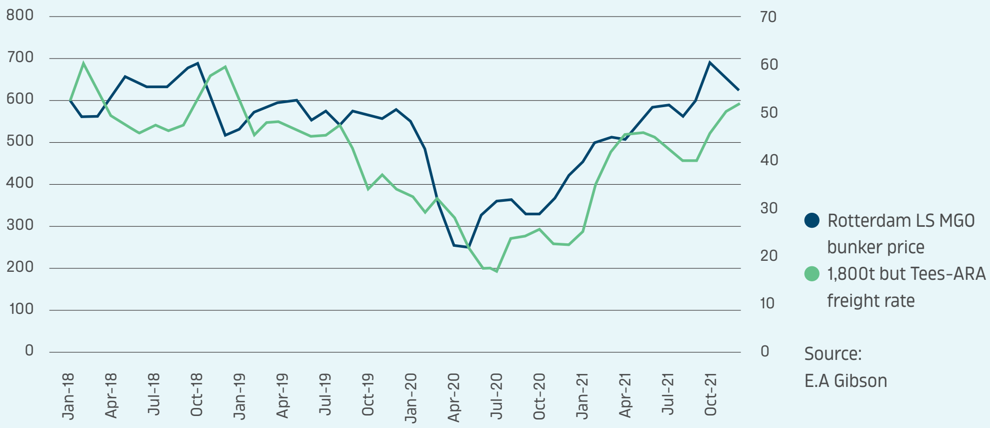
A spot voyage from South China to Philippines, as pictured on the right, reflects the improved rates that owners have benefitted from throughout 2021. Also here high bunker prices have somewhat tempered the returns.

EU-16 REFINERY RUNS AND TEES-ARA COASTER RATE



Source:
E.A Gibson

ARA COASTER RATES AND BUNKER PRICES



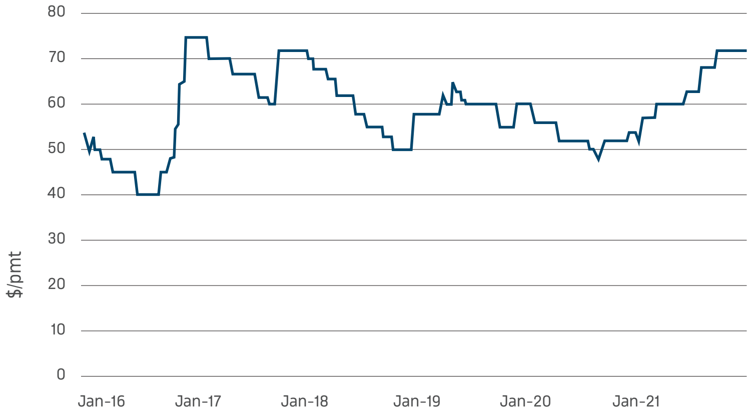
Source:
E.A Gibson

A very slim orderbook, with only 16 vessels on order in the 3,500-8,000 m^3 size range for a fleet of over 500 units active in the global seagoing pressurized market, signifies that long-term market prospects look promising.

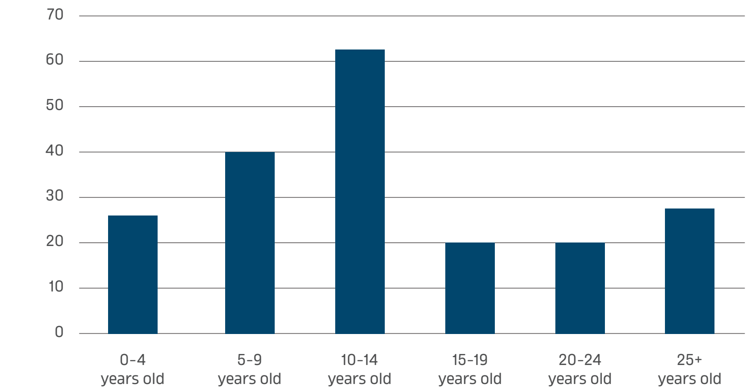
One major question for any newbuilding decision in this vessel class is which engine propulsion type to go for. Dual-fuelled engines for pressurized vessels have not yet become as commonplace compared with other larger LPG segments due to comparatively higher construction costs and some uncertainty on future emissions regulations for this smaller segment.

EXMAR's pressurized fleet of 10 ships remained dedicated to well-established industrial and long-term partners, both in North-West Europe and in Asia. By so doing the Time Charter cover for 2022 already stands at 76% at improved levels compared to last year.

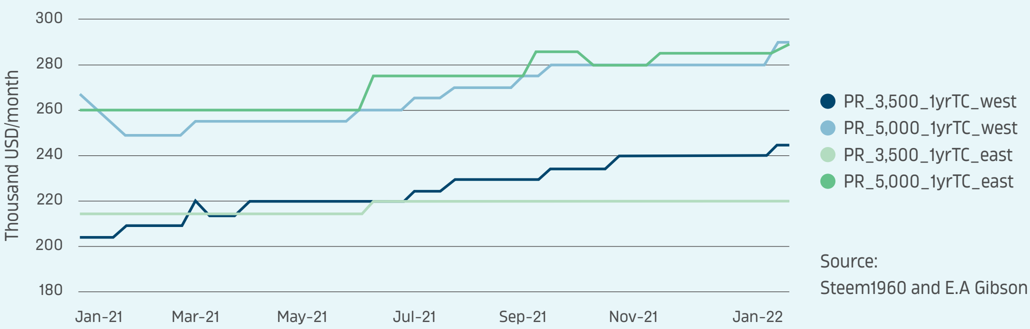
LPG 1,800MT SOUTH CHINA-PHILIPPINES



PRESSURIZED 3,500-5,000CBM COASTER AGE PROFILE



PRESSURIZED 12 MONTHS TIME CHARTER



Source:
Steem1960 and E.A Gibson

19 MGC - MIDSIZE GAS CARRIERS

ANTWERPEN
time chartered

BASTOGNE
joint venture

EUPEN
joint venture

KALLO
joint venture

KAPELLEN
joint venture

KAPRIJKE
joint venture

KNOKKE
joint venture

KOKSIJDE
joint venture

KONTICH
joint venture

KORTRIJK
joint venture

KRUIBEKE
joint venture

LIBRAMONT
joint venture

SOMBEKE
joint venture

SYLVIE
time chartered

WAASMUNSTER
joint venture

WAREGEM
joint venture

WARINSART
joint venture

WARISOULX
joint venture

WEPION
joint venture

10 PRESSURIZED SHIPS

SABRINA
owned

HELANE
owned

FATIME
owned

DEBBIE
owned

ANNE
owned

MAGDALENA
owned

JOAN
owned

MARIANNE
owned

ELISABETH
owned

ANGELA
owned

3 VLGC - VERY LARGE GAS CARRIERS

BW TOKYO
time chartered

FLANDERS PIONEER
owned

FLANDERS INNOVATION
owned

1 LNG - LIQUIFIED NATURAL GAS CARRIER

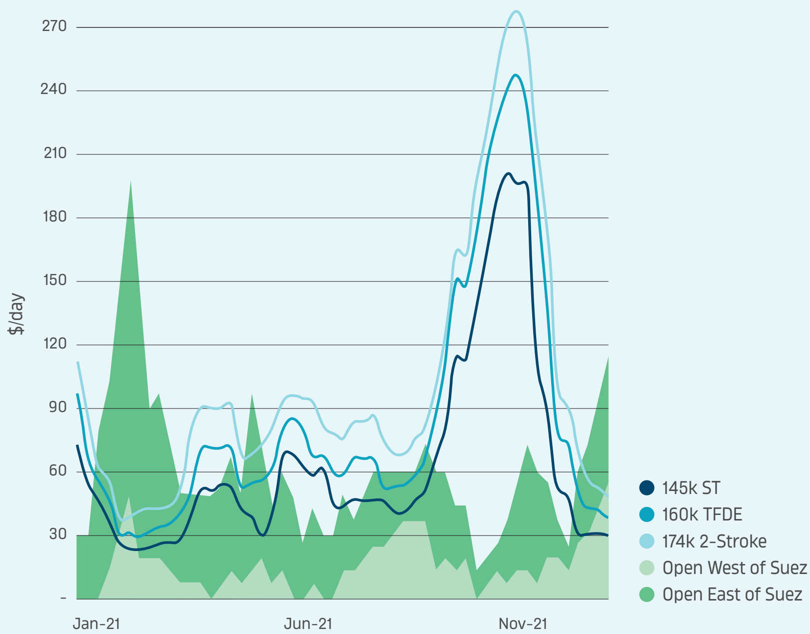
EXCALIBUR
joint venture

LNG

EXMAR currently owns one LNG carrier, EXCALIBUR (2002 built) in its fleet in joint venture with Seapeak. The vessel successfully continued under her long-term time charter until end of December 2021 when the vessel was redelivered. Various options are being explored in upstream infrastructure projects as an FSU/FSRU, as well as for chartering alternatives.

The end of 2021 enjoyed spot and time charter freight markets at historically high levels on the back of substantial LNG imports into China and Japan. Spot levels for steam turbine LNG carriers reached earnings well over $100,000 per day in the last quarter until correcting downwards. It is expected that 2022 will remain a rewarding year for modern large LNG carriers albeit with freight quoted at more moderate levels.

HISTORICAL SPOT RATE ASSESSMENT



2.2 INFRASTRUCTURE

EXMAR Infrastructure provides innovative floating infrastructure solutions to the oil & gas industry by deploying its asset portfolio or developing new assets for nearshore and offshore production, processing, storage or other ancillary services.

PROPORTIONATE CONSOLIDATION (IN MILLION USD)

	2021	2020
Revenue	92.8	213.3
EBITDA	54.4	161.0
Adjusted EBITDA	-2.4	11.8
Operating result (EBIT)	17.1	135.8
Consolidated result after tax	-8.7	98.0
Vessels (owned and leased)	409.1	443.1
Financial debts	204.8	224.9

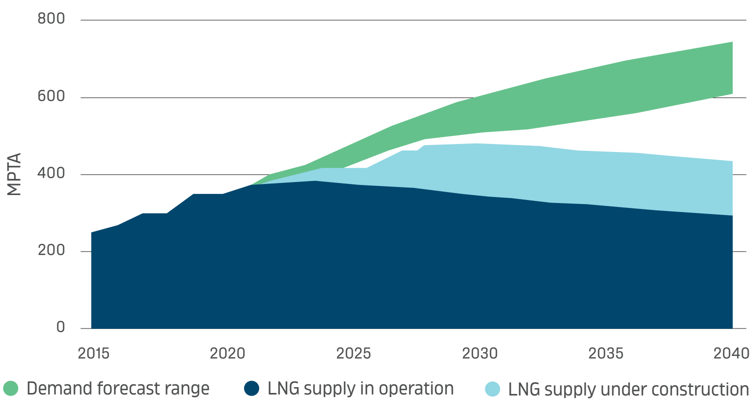
ACTIVITY REPORT 2021 AND OUTLOOK

In 2020 EXMAR Infrastructure's commercial activities were impacted by the combined effect of the COVID-19 pandemic and the oil and gas price crash. The liquefaction services of TANGO FLNG in Bahia Blanca, Argentina, had been terminated and investment decision delays in oil & gas projects hampered business prospects and targets.

In early 2021 market sentiment gained traction again. Oil & gas prices returned to healthy levels, so that energy products and supplies of infrastructure wordwide got interested again in TANGO FLNG which was immediately available as fast-track and cost-efficient solution for the export of LNG.

LNG SUPPLY-DEMAND GAP

Source: Shell LNG Outlook (2022)



Floating Liquefaction

Following the termination of the LNG export project of YPF in Argentina in 2020, EXMAR has been receiving the YPF settlement fees in 2021 fully in line with the agreement concluded back in 2020.

TANGO FLNG has been safely and securely laid up in Nueva Palmira, Uruguay. Being promoted as a fast-track solution to develop LNG exports, continued efforts are being made to re-employ the floating LNG liquefaction barge. In the meantime personnel both on board and ashore are keeping the unit on standby and continuously improving its operations and maintenance management systems.

For decades liquefied natural gas (LNG) has been a low-cost and safe method to move large volumes of energy over long distances and, once regasified again, to be ultimately be used as fuel for power generation, industry and residential use. It is expected that the Asian demand will drive future LNG growth, with LNG needed to replace declining domestic gas and coal-to-gas switching. Much of such incremental gas demand will come from LNG imports.

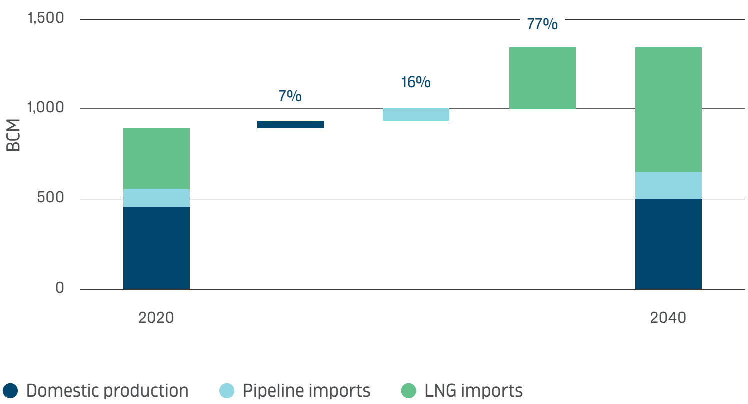
The current outlook, restoration of gas prices in 2021 to a healthy level in the long term and the need to decarbonize the energy supply are sparking renewed market interest in the TANGO FLNG. It puts TANGO FLNG, being readily available as a proven quick-to-market and cost-efficient LNG liquefaction solution, in an excellent position to accelerate export of LNG out of key natural gas source locations.

Various parties, including energy infrastructure providers and exploration and production companies, have come up with business opportunities where TANGO FLNG eliminates the need for large and costly terminal infrastructure on land, drastically reduces the implementation schedule and the technical risk during project development, and allows the customer to focus on the sourcing of the feed gas and the trading/ monetization of the LNG-molecule.

Supported by its affiliates EXMAR Offshore Houston and DV Offshore, EXMAR Infrastructure has been able to move forward various files, with a very concrete business case and prospects, to the commercial negotiation and regulatory approval phase. Discussions during this phase will ensure that a balanced division of responsibilities between cooperating parties is achieved so that EXMAR Infrastructure can focus on the installation of the floating terminal and related operations and maintenance. This will include investment in mooring infrastructure and related engineering, installation, commissioning and project implementation efforts.

ASIAN GAS DEMAND BY SUPPLY SOURCE

Source: Shell LNG Outlook (2022)



Floating regasification

Following the partial final award in April 2021 in the arbitration commenced by GUNVOR in September 2019 in relation to the charter party of the FSRU S188 barge, which rejected GUNVOR's application for declaratory relief, EXMAR received a notice of early termination of the charter party from GUNVOR. Following the effective termination EXMAR received a termination fee of USD 56.8 million in April 2021.

The unit has become commercially available at the end of June and has been kept at its layup location in Singapore for the time being.

FSRU S188 can compete with ship-based FSRUs, abundantly available in the market, as LNG import terminal. It is also of particular interest to niche-specific LNG-import applications in smaller, shallow draft locations of coal or heavy fuel by natural gas as a cleaner and far more flexible energy source for power production facilities is sought.

On 18 March 2022 EXMAR reached an agreement with GASUNIE LNG Holdings BV for a five-year charter of the FSRU S188. With the geopolitical developments currently going on in Europe and the increased emphasis of governments on the security of energy supply, the intention is to use the regasification barge as floating LNG import terminal at Eemshaven in Groningen, the Netherlands.

In addition to both TANGO FLNG and FSRU S188 deployments, the infrastructure team is studying a variety of newbuilding floating LNG infrastructure opportunities that are in different stages of development, offering turnkey projects and investments, an all-in package with a comprehensive range of operations and maintenance services, including crewing, marine and HSEQ management, certifications and class approval.

Accommodation barges

Despite the difficult working circumstances caused by the pandemic, accommodation barges NUNCE and WARIBOKO have confirmed their reputation of high standard services to its customers in the West Africa offshore region. NUNCE has confirmed its reputation of 100% uptime and is contracted with Sonangol until June 2022. WARIBOKO resumed employment in Nigeria in February 2021 which has lasted until end of July, with alternative employment now being sought for the unit.

Current oil and gas prices are expected to have a positive impact on project development in exploration and production and the need for floating accommodation and work barges. The demand for offshore/platform supply vessels appears getting stronger in West Africa and the crash of oil and gas prices in 2020 has caused several suppliers of idle and substandard accommodation barges to leave the market. Under these circumstances marketing efforts West Africa oil and gas market are ongoing and encouraging.

Engineering

EXMAR Offshore Company (EOC) achieved two company milestones in its history in the same year with the delivery of the third OPTI® design-based floating oil production facility and the award of the engineering contract for a fourth OPTI® design-based hull.

The third semi-submersible floating production system (FPS) based on the OPTI® design has been delivered to its owners Murphy Oil Corporation for mobilization, installation and use for the King's Quay project in the Gulf of Mexico. Murphy Oil is one of the top five producing operators in the Gulf of Mexico and is also the owner of the highly successful DELTA HOUSE production facility.

The preliminary engineering work on a fourth OPTI® based floating production system hull design has paid off and has resulted in the award of the detailed engineering by Hyundai Heavy Industries in South Korea of a FPS hull for further delivery to Beacon Offshore Energy for their Shenandoah Project in the Gulf of Mexico. This Shenandoah FPS will have a larger payload capacity than the King's Quay FPS.

Engineering capacity will see high utilization in the two years to come with this Shenandoah project, early engineering on new prospects for the OPTI® hull design and engineering support to the EXMAR Infrastructure commercial team.

EOC aims this way at maintaining and improving its position in the market by continuing its efforts to provide highly performing, redeployable and hence sustainable newbuilding designs, and extending this expertise into conversion of existing units and offshore renewable energy alternatives.

DV Offshore has clearly recovered from the downturn of projects in 2020 due to the pandemic with full utilization of all its personnel and a peak turnover in 2021. In combination with a strict control of costs, the turnaround of the business has been successfully completed with the best result in a number of years. The intention is now to move forward in supporting oil and gas companies and renewable energy providers to develop and install conventional buoy and other mooring applications, floating terminals, and subsea piping in a sustainable and environmentally friendly way.

FSRU S188
owned

TANGO FLNG
owned

2

FLOATING LIQUEFACTION AND REGASIFICATION BARGES

NUNCE
joint venture

WARIBOKO
joint venture

2

OFFSHORE ACCOMMODATION BARGES

Engineering offices EXMAR Offshore Company (EOC, Houston) and DV Offshore (DVO, Paris)

OPTI™ semisubmersible rig hull design (patented)

ENGINEERING

2.3 SUPPORTING SERVICES

EXMAR Ship Management (ESM) provides high quality shipmanagement and related services to LPG carriers, bulk carriers, FLNGs, FSRUs, FSUs, FSOs and accommodation barges. During the past decade EXMAR Ship Management has matured from an in-house shipmanagement services provider to a known Operations and Maintenance (O&M) services provider in niche segments within oil and gas.

PROPORTIONATE CONSOLIDATION (IN MILLION USD)	2021	2020
Revenue	26.5	46.8
EBITDA	-6.0	10.8
Adjusted EBITDA	-6.5	-2.2
Operating result (EBIT)	-7.0	9.7
Consolidated result after tax	9.7	20.1
Financial debts	2.3	4.7

HIGHLIGHTS 2021

With the ongoing pandemic making the logistics chain connecting vessels to shore becoming ever more challenging and complex, the high level professionalism of ESM crews on board supported by highly dedicated shore staff managed to successfully maintain fleet operations, effectuate crew changes, deliver ship's supplies and spare parts and carry out inspections and dry docks for owners throughout 2021.

Perhaps the finest example of ship-shore cooperation this year was the successful delivery and entry into operation and management of the two EXMAR VLGC newbuildings FLANDERS INNOVATION and FLANDERS PIONEER.

Both vessels have been designed as the first vessels in the world VLGC fleet to run on both regular bunker fuel and LPG, making EXMAR Ship Management a front runner in dual-fuel ship operations in what has now become an industry standard for this segment.

In 2021, dry dock operations were successfully performed for six MGC's & one Pressurized vessel. In addition, classification challenging audits were performed on all vessels by the superintendent teams in cooperation with the HSEQ department together with the officers and crews. Latterly audits have been performed both remotely using live connections between ships and the shore as by applying very stringent joining procedures to circumvent restrictions imposed due to the pandemic in various parts of the world.

EXMAR Ship Management also continues to perform change of grade operations as well as ship-to-ship transfers for its clients which totalled 247 operations for EXMAR in 2021 representing approximately 1.2 million metric tons transferred.

With management of the average age of the EXMAR fleet, ESM also supervised and managed handover of

the TEMSE, TOURAINE and BRUSSELS to new owners. ESM customer Trafigura also sold three of its gas carriers which required the same operational activity.

In the offshore segment, ESM teams onshore and on location continue to maintain and manage the two floating LNG barges TANGO FLNG and FSRU S188 in Uruguay and Singapore respectively.

ESM provided crewing, operations and maintenance services for NUNCE and WARIBOKO accommodation barges offshore Gulf of Guinea, with the latter ending its contract halfway through 2021. TOTAL has extended the Operations and Maintenance contract with ESM on the FPSO Nkossa 2.

OUTLOOK 2022

EXMAR Shipmanagement BV will continue to support its parent company EXMAR with its operational and maintenance requirements both in its Shipping as well as in the infrastructure business units while striving to expand its managed fleet with a first-class ship-owner portfolio, who can benefit from the experience and operational excellence of ship crews and staff onshore.

The ship management business segment is highly competitive and the required economies of scale has proven to favour large-scale ship management companies in the last few years.

Nonetheless new environmental legislation and industry-wide push for greater Environmental, Social and Governance programs (ESG) in fleet management will oblige owners and ship managers to cooperate even more closely together with a higher level of transparency.

This potentially offers benefits to highly specialised and high quality ship managers and the ambition to attract more third party business should be feasible.

As a continuation of its business transformation, ESM will focus in 2022 on control of work and management objectives that are quantifiable, monitored and adjusted when necessary on a quarterly basis.

ESM will continue to follow the overall ambitions stated in the *moving ahead in harmony* project.

BEXCO

BEXCO is a leading European manufacturer of precision-engineered synthetic mooring, towing and lifting ropes for offshore, marine and industrial applications.

The company performed with a record result in 2021, driven by a strong demand in the marine and offshore segments, with orders catching up from the much weaker market in 2020, caused by the outbreak of the pandemic. Despite the continued challenges of the pandemic, production capacity in 2021 was less affected than the previous year.

Deepwater mooring projects for Shell UK (Shell Penguin) and Sofec (ENI Coral South) were successfully delivered as well as completion of a mooring package for the Chevron Anchor project. BEXCO commenced production on Shell Whale project in the third quarter for delivery in 2022.

Demand for BEXCO's high quality marine mooring products remained strong with the supplies to the CMA-CGM series of LNG-powered ultra large container ship newbuilds.

The offshore operations business unit also performed strongly with excellent orders from BEXCO's loyal customer base in Europe for its innovative lifting slings for offshore wind farm installation.

The co-operation with General Work Products in the USA is working at full speed and other initiatives to extend the geographic scope of he business are in progress.

BEXCO's foray into the offshore floating wind market picked up with the order and production of a rope package for Demosath floating wind project in Spain. The company received the Corporate Blue Innovation Wave Award from the Blue Cluster organization at the World Expo in Dubai for its new Manta-Line Floating Wind mooring rope solution.

The company also invested in solar panels on the roof of its main manufacturing facility in Hamme as part of the company's increasing focus on sustainable energy.

BEXCO is proceeding with continuous investments in R&D to prepare for the energy transition and the emergence of floating wind as an incremental business.

TRAVEL PLUS

Travel PLUS is an independent travel agency, which offers business and leisure customers a suite of personalised travel services. The agency's strength can be found in developing tailor-made itineraries with exceptional after-sales service.

The continued pandemic adversely affected bookings in 2021 in both leisure and business segments. The company also serves the Group's crew travel requirements, with special efforts needed to adapt travel itineraries to meet changing local quarantine and clearance requirements.

Despite the recent pandemic waves, the enthusiasm to travel by Travel PLUS' loyal leisure customer base in Belgium has been confirmed by booking enquiries for 2022. The higher vaccination coverage will increasingly smoothen out the COVID peaks and the appetite for travel is returning, also in the business segment.

EXMAR YACHTING

With a fleet of luxury vessels under management, EXMAR Yachting assists both experienced and first-time owners in refitting, maintaining and chartering their luxury yachts. During 2021 despite interruptions to itineraries and operations due to the pandemic, the team of highly professional captains, technical superintendents, crewing managers and operations staff provided owners with support on pre-dry dock inspections in situ, preventive maintenance and administrative care of their high value assets.

The health crisis did impact on leisure travel, with the yachting team adapting charter itineraries by offering luxury alternatives to its customers.

Sailing plans were adapted and alternative solutions found in order to cater for quarantine requirements and crew changes.

3 CARE FOR TODAY, RESPECT FOR TOMORROW

3.1 ESG (ENVIRONMENT, SOCIAL, GOVERNANCE)

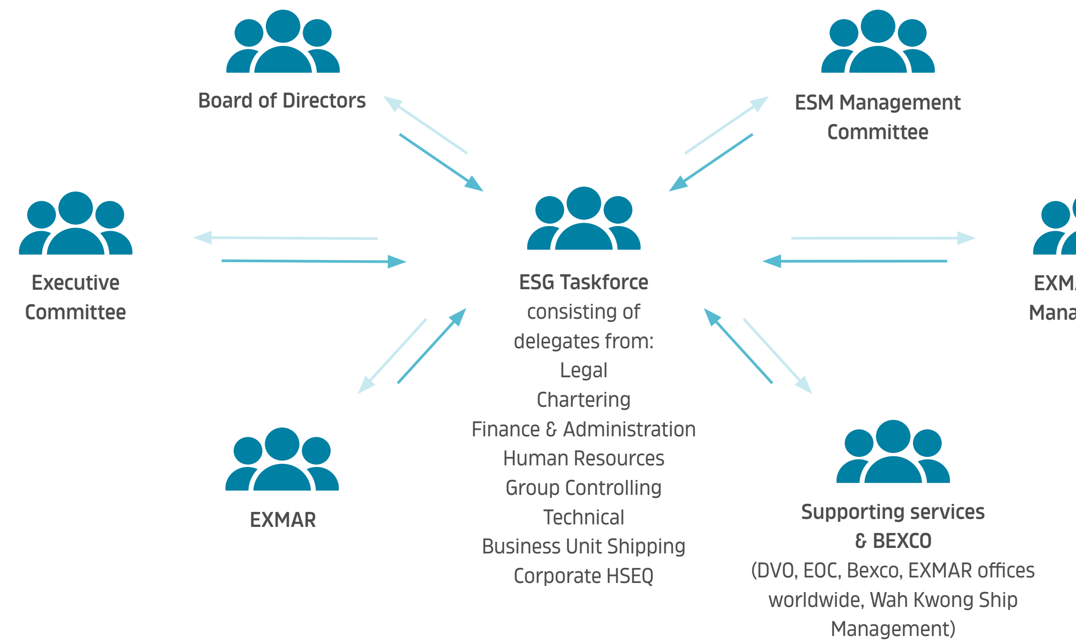
Within EXMAR, we continuously expand our efforts to improve Environmental, Social and Governance (ESG) principles by advocating care for today and respect for tomorrow in all of our business activities.

With ever increasing demanding and changing requirements from society as a whole, regulators and the finance sector, incorporating ESG best practices into our daily business and improving our environmental, social and governance efforts is a constant process.

EXMAR created a **multidisciplinary ESG taskforce** consisting of members of management as well as operational, technical and corporate staff to enhance our Company's ESG profile and uphold its key principles. This overarching team ensures ESG strategies are embedded in the organisation and drives innovation in all operational aspects.

The ESG taskforce advises on new and monitors ongoing projects, closely follows-up regulatory changes and defines ESG targets accordingly for the company as a whole. Necessary changes are communicated by the taskforce through all levels of the company and performance indicators over the different company layers followed-up. In addition, the taskforce is an active member of various industry workgroups.

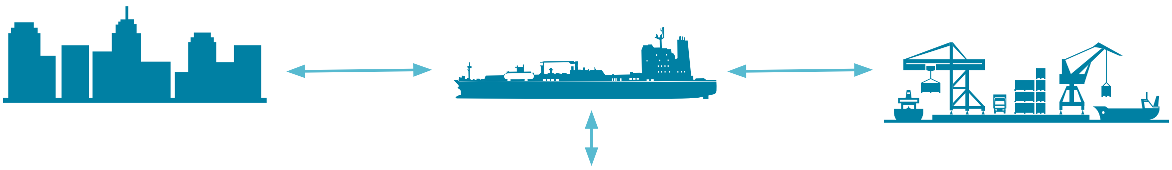
ESG TASKFORCE INTERACTION



ESG partner	Input	Output
EXMAR Board of Directors	• Communicate strategic objectives on ESG in its interaction with shareholders • Present Financial Annual Report to the General Meeting of shareholders • Uphold strategies & values of EXMAR in its sustainable value creation • Determine company strategy • Determine Corporate Governance Charter & Statement (including Dealing Code & Code of Business Ethics) • Prepare Press Releases of subjects under financial regulations	• Ensure Company-wide compliance with Corporate Governance Charter & Statement • Compliance with laws & regulations • Establish Financial Annual Report
Executive Committee	• Day-to-day management & policy of the Group • Implementation of decisions taken by the BoD • Establish internal controls • Prepare annual accounts • Communicate proposals on company strategy to BoD • Prepare Press Releases	• Establish Financial Annual Reports • Suggest proposals on company strategy
EXMAR	• Provide input on Financial Annual Report • Uphold ESG targets in business interaction • Report on ESG KPIs	• Compliance Risk Assessment, Model & Manual • Ensure Company-wide compliance with Corporate Governance Charter & Statement
ESM Management Committee	• Undersign Annual Objectives & ESM Company policies • Verify Quarterly Performance Review • Uphold ESG targets in business interaction	• Ensure Company-wide compliance with Corporate Governance Charter & Statement
EXMAR Ship Management	• Quarterly Performance Review • Report on ESG KPIs • Draft Annual Objectives • Set-up policies & procedures • Regulatory monitoring • Reporting as per regulations	• Review policies & procedures • Ensure regulatory compliance • Complete questionnaires on ESG • Provide input on Annual Objectives
Supporting services & Engineering	• Implement policies & procedures • Uphold ESG targets in business interaction • Report on ESG KPIs	• Ensure Company-wide compliance with Corporate Governance Charter & Statement

EXMAR ESG BUSINESS PRINCIPLES

EXMAR is a multidisciplinary maritime and offshore solutions provider in the oil and gas industry. We design tailor made solutions for the production, storage, transportation and supply of oil and gas worldwide. A myriad of stakeholders are interwoven in EXMARs business structure.



- **Business**
  Customers
  Competitors
  Legal institutions
- **Regulatory bodies**
  Flag/EU/IMO
  Port state/ Local authorities/ USCG
  Recognized organizations
- **Financial bodies**
  Financial institutions
  Insurers
  Shareholders
- **Clients**
  Owners
  Charterers
  Oil Majors

- **Human relations**
  Seafarers
  Office personnel
  Next of kin
  Unions
  Media
  Non-governmental Organizations
  Society

- **Logistics chain**
  Logistic partners
  Transport providers
  Local agents
  Warehouses
- **Crewing & Development**
  Manning agents
  Training institutions
  Maritime academies
- **Engineering & Maintenance**
  Service companies
  Makers
  Shipyards
  Site teams
  Supporting services & Engineering (DVO, EOC)
  Software providers

Our stakeholders are continuously mapped and their needs and expectations evaluated to confirm the communication strategy required to ensure an optimal business interaction. EXMAR set up the following interactive communication with its stakeholders:

Stakeholder	Interaction with EXMAR	Interaction owner	Frequency
Business Financial bodies Regulatory bodies	• Contractual Agreements • Compliance Model & Business Ethics • EXMAR Financial Annual Report & Press Releases	• EXMAR Headquarters	• Ad hoc follow-up • Ad hoc Press Releases • Financial Annual Report
	• Meetings & Contact groups • Implementation of regulations • Inspections & Investigations • Certification • Memberships • ISO standards & TMSA	• EXMAR Ship Management • Wah Kwong Ship Management	• Ad hoc implementation of changes • Ad hoc investigations • Annual internal audits • Annual external audits • Financial Annual Report • Industry workgroups upon invitation
Clients	• Contractual Agreements • Compliance Model & Business Ethics • EXMAR Financial Annual Report & Press Releases	• EXMAR Headquarters	• Ad hoc follow-up of contractual agreements • Ad hoc follow-up of instructions • Monthly owners meeting • Quarterly/Annual charterers meetings
	• Inspections & Investigations • Reporting on KPIs • Implementation of contractual agreements and regulatory adherence	• EXMAR Ship Management • Wah Kwong Ship Management	• Sharing of internal bulletins to improve standards of fleet • Ad hoc investigations • Monthly owners meeting • Quarterly Performance Review • Financial Annual Report • 3-monthly external audits (vetting)

Stakeholder	Interaction with EXMAR	Interaction owner	Frequency
Human Relations	• Human Relation procedures • Contracts of Employment for office personnel • Performance Evaluation & Code of Conduct for office personnel • EXMAR Financial Annual Report & Press Releases	• EXMAR Headquarters	• Ad hoc implementation of changes • Quarterly performance evaluation of office personnel • Ad hoc Press Releases • Financial Annual Report • Annual conference
	• CBAs & Contracts of Employment for seafarers • Performance Evaluation & Code of Conduct for seafarers • SMS Crewing Manual procedures • Health and Safety Campaigns & Welfare • Crew Conferences • MTI Network	• EXMAR Ship Management • Wah Kwong Ship Management	• Ad hoc implementation of changes • Performance evaluation mid-term and at end of contract • Annual SMS review • 2-monthly campaigns • Weekly bulletins • Quarterly crew conferences
Logistics Chain Crewing & Development Engineering & Maintenance	• Reporting lines & Point of contact • Dealing Code & Cyber Security • Procedures & Policies	• EXMAR Headquarters	• Regular project meetings • Ad hoc implementation of changes
	• Contracts • Conferences • Evaluation & Audit • SMS Instructions & procedures • Training matrix • Meetings • Dry-Dock safety officer	• EXMAR Ship Management • Wah Kwong Ship Management	• Monthly purchase meetings • Supplier approval, evaluation & audit • Shipyard audits • Annual internal audits • Ad hoc implementation of changes

Each stakeholder has its own needs and expectations in their interaction with EXMAR. These are followed-up and delineated in EXMAR key ESG topics for the future. EXMAR accommodates ESG factors valuable for stakeholders within our own business priorities while jointly protecting and evaluating EXMAR's core corporate values.

The following ESG business principles are anchored in our organization:

- **We respect** the fundamental human rights and freedoms. We do not tolerate discrimination of any kind on grounds of race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.
- **We commit** to use the resources, oceans, land and natural habitat sustainably throughout our supply chain taking account of (local) environmental and societal factors
- **We grow** corporate value through, quality of education, diversity and inclusion, active stakeholder engagement and involvement of local communities and regions
- **We strive** to be at the forefront of transforming or implementing new technologies that minimize the impact on our natural resources, reduce the release of greenhouse gases and have no negative consequences to the environment. We join the industry on the road to decarbonisation.
- **We insist** on maintaining the highest safety standards throughout our operations, our supply chain and in the services provided to us.
- **We apply** a zero-tolerance for modern slavery in our supply chain. This includes but is not limited to child labor, human trafficking and forced or bonded labor. Furthermore, we subscribe to fundamental labor rights: This means that we will not tolerate any form of bribery, facilitation payments or fee-based recruitments made in the course of business or services related to EXMAR.

UN SUSTAINABLE DEVELOPMENT GOALS (SDGs)

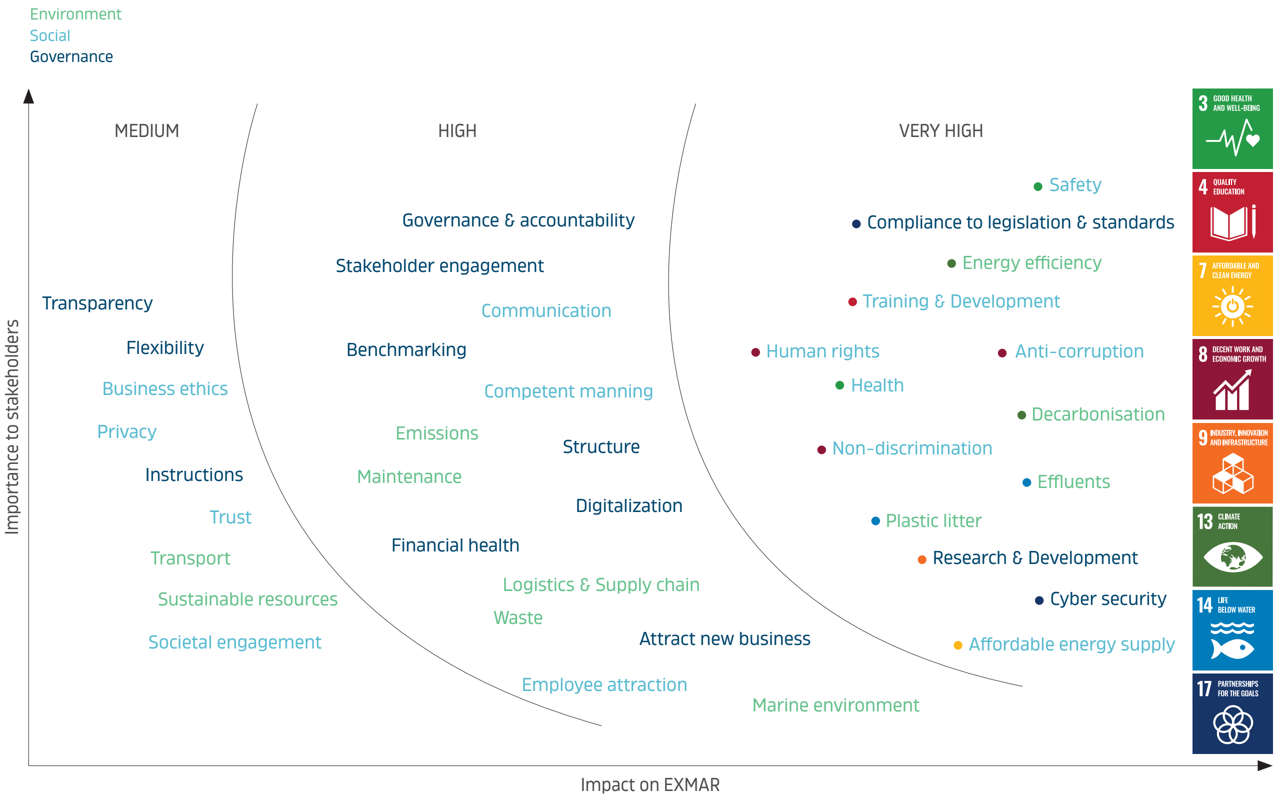
EXMAR selected the UN Sustainable Development Goals structure to translate its business priorities into specific key ESG topics.

As a shared blueprint for peace and prosperity, the 17 SDGs defined by the United Nations provide a universal framework to guide global actions, from international cooperation and national government policy to corporate strategies and individual behaviour, towards inclusive socioeconomic growth and preservation of the planet.

ANALYSING EXMAR ESG MATERIAL TOPICS AND DEFINING KEY ESG TOPICS

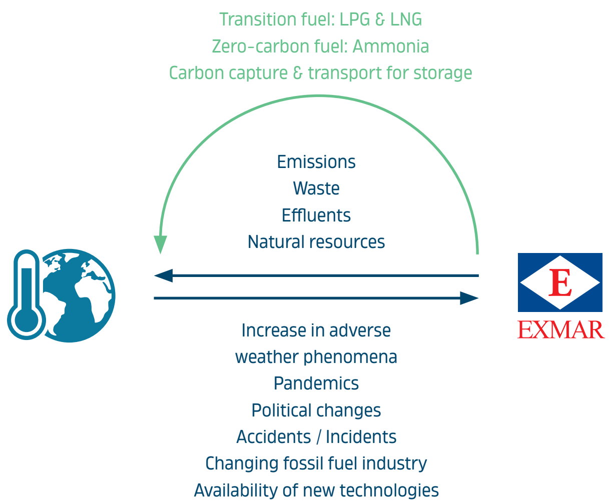
EXMAR performed a materiality analysis in which ESG factors considered important by its stakeholders are weighed against their (potential) impact on the Company. The ESG factors tabulated in the section 'Very High' are elected as the EXMAR key ESG topics which are classed as per the UN Sustainable Development Goals (SDGs). The company ambitions are built upon these key ESG topics.

www.un.org/sustainabledevelopment/



RISK ASSESSMENT

In a changing world with an increasingly more apparent impact of climate change, the industry as a whole including EXMAR is exposed to risk. To properly align its vision for the future, EXMAR carefully analysed the potential impact of climate change risks and their associated, implemented due diligence measures to set targets for risk reduction. Important opportunities are identified to incorporate within the company's roadmap for the future. Not surprisingly, the ESG factors tabulated in the section 'Very High' of the materiality analysis can be found back in this risk assessment as they are a translation of the shifting focus within society and thus the industry.



	Type	Risk	Due Diligence	Ambition	Timeframe
Climate Impact	Emissions	Contribute to climate change	Increase **Energy Efficiency** by subscribing to ISO50001 and optimizing vessel operations (SEEMP & Energy Manual in SMS), comply with MARPOL Annex VI (VOC/ODS), evaluate logistic air freights basis emissions to optimize transport, travel policy for air travel by personnel, ban on incineration of plastic **waste** by fleet, **training** of personnel on **energy efficiency**, track **emissions** of fleet in digital platform, **regulatory** reporting of emissions a/p EU MRV, UK MRV and IMO DCS	Increase **Energy Efficiency** (and thus minimize fuel consumption) by efficient new vessel design (EEDI)	Short term
				Decarbonisation: As a minimum	
				• Reduce average CO_2 emissions per transport work by 40% by 2030	Mid term (<2030)
				• Reduce average CO_2 emissions per transport work by 70% by 2050	Long term (<2050)
				• Reduce total annual GHG emissions of the company by at least 50% by 2050 (reference year 2008);	Long term (<2050)
				• Aim to surpass the IMO targets towards reaching future regulations for shipping that will be set-up under EU Green Deal	Long term (<2050)
				• Implement EEXI standard for existing vessels and follow-up on CII in line with (upcoming) **regulations**	Short term (2023)
				Increased digitalization and performance monitoring allowing more in depth data analysis of vessel performance and discovery of areas of improvement; streamline digital platform integration throughout the company and expand automatic sensor data monitoring and sharing	Short term (2022)
				Map Scope 1 emissions of the offices and Scope 2 & 3 emissions of the entire company to define areas of improvements	Short term (2023)
	Waste	• Impact on Marine life • Impact on Land degradation • Reputation damage	Single Use **Plastics** ban implemented in supply chain, **compliance** to MARPOL Annex V, 'Price Inquiry Messages' to suppliers include ISO 14001 requirements on packaging, ban on incineration of plastic waste by fleet to allow recycling, Inventory of Hazardous Materials (EU SRR), track fleet waste in digital platform	Implement system of potable water fountains on vessels (on-board production) to replace supply of bottled water	Short term (2022)
				Reduce **plastic waste** production by 10% compared to 2020	Short term (2023)
				Implement flag approved electronic garbage record book	Short term (2022)

	Type	Risk	Due Diligence	Ambition	Timeframe
Climate Impact	Effluents	• Impact on Marine life • Contribute to Invasive species • Breach of regulations • Reputation damage	**Compliance** to MARPOL Annex I, SOPEP-SMPEP & NTVRP, Sewage Treatment Plants, Use of cleaning agents and additives of which **effluents** are not harmful to the marine environment, company requirements w.r.t. **effluent** management (sewage, grey water, bilge water, scrubber effluent, deck wash water, ballast water, biofouling waste and sediments, etc.) described in the Environmental Manual in SMS, BWMP for all fleet vessels, regular hull & propeller in-water inspections & cleaning, **training** of personnel, close monitoring of regulatory changes to ensure **compliance**, track **effluents** of fleet in digital platform(s-Insight)	Expand efforts to implement non-regulatory environmental standards on fleet (for instance one-tab cleaning products)	Short term (2022)
				Implement a Biofouling Management Plan on the fleet	Short term (2023)
				Implementation of ballast water treatment systems on board all vessels in the fleet	Short term (2024)
				Implement flag approved Electronic ballast water, ozone depleting substances, NO_x and scrubber record book	Short Term (2022)
	Natural Resources	Deplete natural resources	Increase **Energy Efficiency** (and thus minimize fuel consumption) by efficient vessel design (EEDI), ISO50001 and optimize vessel operations (SEEMP & Energy manual in SMS), ISO14001 and Environment manual in SMS, decrease use of paper/hardware via increased digitalization, galley coaching program to optimize consumption and reduce waste, close monitoring of regulatory changes to ensure **compliance**, track fuel consumption of fleet in digital platform	Monitor **innovations** in the shipping industry to increase efforts on sustainability	Short term
				Increase **cooperation** with local industries and through world supply chain to drive transition to circular economy	Long term (<2050)
				Contribute to **affordable energy supply** by taking part in market competition	Short term
Physical Risk	Adverse weather	• Safety of life • Delays • Damages • Increased consumption of fleet	Route optimization software (SPOS9) installed and enforced through SMS, vessel routing monitored by headquarters, fixed projects certified by Classification Societies under the most stringent environmental conditions at the selected site to ensure **safety** of the unit and protection of the environment	Streamline digital platform integration throughout the company	Short term (2022)
	Pandemics	• Crew availability • Crew **welfare & health** • Compliance with contract duration	COVID-19 pandemic is continuously monitored and daily lessons learned used to improve our management system of business during pandemic	Increase COVID-19 vaccination rate of personnel	Short term (2022)
				Use experience gathered under COVID-19 pandemic to develop a generic pandemic response plan script	Mid term (<2030)

	Type	Risk	Due Diligence	Ambition	Timeframe
Transition Risk	Political – safety of shipping / sanctions	• Attacks • Damages, casualties • Reputation damage	Close monitoring of flag state **requirements** and security of shipping worldwide, ship security plans & ship security officer, company security officer, gathering information from authoritative and or industry organizations as well as from specialized consultants, Code of Business **Ethics** (denouncing trade with sanctioned countries and ensuring **anti-corruption**) uphold **human rights** and **non-discrimination** through Code of Business Etics and standardized contracts of employment Maritime **Cyber** Risk Management procedures and cyber security response plan **Regulatory** compliance	Evaluate business opportunities in developing nations to aid energy transition and local **development**	Mid term (<2030)
	Legal – accidents / incidents	• Loss of clients • Reputation damage • Lack of regulatory framework of new technologies	**Safety** Management System, **Safety** campaigns, Close monitoring of **regulatory** changes, **Training** and employment of qualified personnel in line with fixed matrices, Advocate for and participate in workgroups with industry bodies to set-up clear regulations on new technologies	Minimize accidents and incidents as much as reasonably practicable Implement the Human element of TMSA to increase safety	Short term (2022) Short term (2022-2023)
	Market	• Reduction in fossil fuel availability • Market increase in **energy efficient** ships (EEXI/EEDI) will reduce demand for less efficient (older) vessels	Monitoring of market evolution: expected increase in LNG/LPG overhaul as transition fuel in **decarbonisation**	Invest in **research** on ammonia and CO_2 transport once transition fuels may no longer be desired under **decarbonisation** Participate in **research** and develop solutions for large scale renewable energy transport under the form of hydrogen, e-ammonia, e-methanol, e-LNG or LOHCs. **Invest** in future-proof sustainably fueled vessels	Mid term (<2030) Mid term (<2030) Long term (<2050)

	Type	Risk	Due Diligence	Ambition	Timeframe
Transition Risk	Technology	• Availability of technology to support **decarbonisation** • **Safety** of new technology	Close monitoring of **regulatory** changes to ensure compliance and **safety** of new systems Close **interaction** with long-term suppliers and makers to evaluate new technologies	Close monitoring of regulatory changes and technological developments to select the solution with highest potential on carbon emission savings on the road to **decarbonisation**	Mid term (<2030)
				Work closely together with equipment manufacturers (engine makers/process design) on alternative fueled vessels	Mid term (<2030)
	Reputation	• Company based on fossil fuel industry	Invest in alternative fuels and new technologies on the road to **decarbonisation**	Highlight the importance of LPG cargo transport for secondary markets (sustain petrochemical and fertilizer markets) and to aid **decarbonisation**	Mid term (<2030)
				Invest in **research and development** of green ammonia and green hydrogen (or other alternative fuels) and captured CO_2 to close the gap for transport of these products	Long term (<2050)
				Increase **cooperation** with local industries and world supply chain to drive transition to circular economy	Long term (<2050)

DECARBONISATION

The strategy of decarbonizing society and shipping is clearly set in the regulatory framework introduced both at European and worldwide level.

The **EU Green Deal** to pursue a reduction in CO_2 transport emissions (including shipping) of 55% by 2030 and climate neutral by 2050 compared to 1990 levels was further developed in 2021 by the European Commission:

- Once approved by parliament, shipping will become subject to the Emission Trading Scheme (ETS) as of 2023 with a gradual phase-in basis the emission data of a company as reported under the EU MRV regulation.
- Develop the Fuel EU Maritime Proposal by 2025 which imposes a Greenhouse Gas life cycle analysis of all energy used on board ships. In addition to CO_2, the regulation covers methane and NO_x from a well-to-wake perspective.
- Further line-out the EU Taxonomy Regulation which provides companies, investors and policymakers with appropriate definitions of which economic activities can be considered environmentally sustainable, form a substantial contribution to climate change mitigation and adaptation and can therefore be recognized as a sustainable business activity. Once approved by parliament, the tax exemption for conventional fuels used between EU ports will be lifted as of 1 January 2023. EXMARs efforts with respect to this regulation are detailed in the next chapter.

On **worldwide level** the IMO is setting standards to reach a reduction in carbon intensity of all ships by at least 40% by 2030 as an average across the international shipping and to reach a 70% reduction of CO_2 emissions per transport work by 2050 (compared to the 2008 baseline) whilst pursuing efforts towards phasing out CO_2 emissions completely.

- More stringent EEDI levels for newbuild ships were imposed in 2020 (up to 20% reduction in carbon intensity) which will be further strengthened in 2022 (up to 30% reduction in carbon intensity) for specific vessel classes.
- A similar standard as EEDI is finalized for existing ships i.e. the EEXI standard; EEXI survey requirements take effect in November 2022.
- A Carbon Intensity Index (CII) is being designed that tracks a vessel's effective carbon emissions versus its cargo carrying capacity. The CII of each vessel will be evaluated yearly, (as from 2023) and will become increasingly more stringent towards 2050. Companies will need to present improvement plans on their vessel's CII.

In this changing landscape EXMAR actively responds by:

Designing its new vessels according the governing regulations (EEDI standards). The latest addition to the fleet i.e. the two new VLGCs delivered in 2021 are equipped with innovative designs that improve their environmental performance when compared to their peers. More information can be found in the chapter Innovation below.

Actively investigating the impact of the future EEXI regulations on its existing fleet portfolio to be fully compliant with the upcoming legislation. The CII improvement actions will be incorporated in the current Shipboard Energy Efficiency Management Plan (SEEMP), which is currently exceeding regulatory compliance by being subject to ISO 50001 certification.

Analysing its activity portfolio in preparation for the EU Taxonomy Regulation and plays an active role on the path towards decarbonisation by supplying the alternative fuels needed in the energy transition.

Investing in research and development on the potential of carbon-neutral fuels such as (green) hydrogen and (green) ammonia to aid the industry in reaching its carbon neutrality goal. In addition, the potential of carbon capture for storage calls for means of transportation and therefore EXMAR is actively participating in the development of CO_2 carriers.

These topics will be further elaborated upon in the chapter 'Innovation' of this ESG report.

EU TAXONOMY REGULATION

The EU Taxonomy is a classification system that lists environmentally sustainable economic activities. It provides companies, investors and policymakers with appropriate definitions of which economic activities can be considered environmentally sustainable and can aid to reach the EU's climate and energy targets for 2030 and the objectives of the European green deal.

The Taxonomy Regulation sets six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

Under the Climate change mitigation objective the Taxonomy Regulation lays out three types of activities:

- low-carbon (Article 10(1))
- transitional (Article 10(2))
- enabling (Article 16)

On 2 February 2022, the Commission has proposed a Taxonomy Complementary Climate Delegated Act that includes, under strict conditions, specific nuclear and gas energy activities in the list of economic activities covered by the EU Taxonomy. These activities are included in the second type of activities, i.e. transitional, meaning they cannot yet be replaced by technologically and economically feasible low-carbon alternatives, but do contribute to climate change mitigation and have the potential to play a major role in the transition to a climate-neutral economy. A further analysis of EXMAR activities will be conducted once the complementary Climate Delegated Act has been approved.

Assesment of activities 2021

EXMAR is more than a shipping company and is one of the main players in the maritime and offshore services industry. Aside from transporting LNG and LPG, which are considered transitional fuels under the EU Taxonomy, we are pursuing the development of sustainable solutions dedicated to the energy transition. These projects are further described in the chapter Innovation of this report.

The eligibility assessment has been performed by analysing the activities currently described in the Taxonomy Complementary Climate Delegated Act and matching them with economic activities performed by EXMAR.

2 workshops were organized:

1. Evaluating the eligibility on the basis of the Taxonomy Climate Delegated Act through a methodological approach including a detailed analysis of EXMAR's activities
2. Mapping a correspondence table of business activities and accounting nomenclature as described in the Technical Expert Group (TEG) report and the Taxonomy Climate Delegated Act

The workshops lead to following assessment of EXMAR activities under the EU Taxonomy:

Activities related to the shipping segment, ship management services and yachting were assessed as being eligible in line with Annex I of the Climate Delegated Act. Other activities were identified as non-eligible because there was no perfect fit with the description of the activities in the Delegated Act or because they are a minor activity for the Group and not considered significant enough to be reported under the EU Taxonomy.

Establishing KPIs 2021

The KPIs have been prepared based on the requirements outlined in the Disclosure Delegated Act of 6 July 2021:

1. The proportion of turnover derived from products or services that are associated with environmentally sustainable activities
2. The proportion of capital expenditure (CapEx) and
3. The proportion of operating expenditure (OpEx) related to assets or processes that are associated with environmentally sustainable activities

EXMAR is preparing its financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The calculated KPI's mentioned below are based on the EU Taxonomy Regulation definition. Qualitative information is provided to give clarity to the reader on what is included or excluded from the KPI's in comparison with the IFRS financial information.

Business Unit	Activity description	Delegated Act Section, Appendix I	Decision on eligibility
Shipping	Shipping fleet involved in transport of LNG & LPG	6.10: Sea and coastal freight transport, vessels for port operations and auxiliary activities.	Yes
Infrastructure	Exploitation of FSRU & FLNG units and accommodation barges Supporting services & Engineering (DVO/EOC)	4.3: Electricity generation from wind power - construction or operation of electricity generation facilities that produce electricity from wind power	No (exploitation of units and barges are not an eligible activity + the portion of supporting services & engineering related to possible inclusion in connection with offshore wind are considered insignificant)
Supporting Services	EXMAR Ship Management (Belgium, India, Singapore and Seavie Caribbean) EXMAR Yachting	6.10: Sea and coastal freight transport, vessels for port operations and auxiliary activities. 6.11: Sea and coastal passenger water transportation	Yes (the portion of services by Travel Plus & Bexco are excluded)

TURNOVER

We refer to Note 4 of the financial statements for a detail of the turnover, which includes both IFRS 15 Revenues from contracts with customers and IFRS 16 Leases related revenue.

CAPEX

The capital expenditures consist primarily of the acquisition of vessels (IAS 16 – see also Note 10) and to a lesser degree: acquisition of other property, plant and equipment (IAS 16), right-of-use assets (IFRS 16) and capitalized intangible assets (IAS 38). We refer to Notes 10 through 13 of the financial statements for additional information.

OPEX

Our operating expenses are made up of the following main categories of expenses:

- vessel expenses
- general and administrative (G&A) expenses
- personnel expenses

We refer to Notes 5, 6 and 7 of the financial statements, respectively for additional information. Not all of our operating expenses meet the definition of the Opex KPI as defined in the Taxonomy Regulation. We therefore only included vessel expenses crew and maintenance. All other expenses such as insurance, depreciation and impairment, general and administrative expenses ... were excluded.

ESG ACHIEVEMENTS 2021

The 2021 ESG report evaluates progress made over the previous years and highlights main trends. EXMAR Shipping statistics relate to our cargo transporting vessels managed by EXMAR Ship Management and by Wah Kwong Ship Management. Where relevant and indicated accordingly, statistics include the ESG considerations for the Infrastructure Business Unit and thus comprise our specialized units and accommodation barges.

Environment

To address sustainability, EXMAR has identified the relevant UN Sustainable Development Goals (SDGs) 13 and 14 with respect to ENVIRONMENT which we contribute to.

- **SDG 13 – Climate action**

Significant efforts are made to render our fleet more **energy efficient** by optimizing fuel consumption and reducing emissions on the road to **decarbonisation**. This is in the spirit of SDG 13 to combat climate change and operate in line with efforts to decarbonize the shipping industry.

Key Performance Indicators

EXMAR SHIPPING & INFRASTRUCTURE (EXCLUDING ENGINEERING DVO&EOC)

Metric/Materiality	Unit	2021	2020	2019	Target	Remark
Distance travelled	NM	1,925,558	1,969,529	2,001,766	N/A	
Operating days	Number	11,623	12,215	12,004	N/A	
Fleet	Dwt	850,035	843,435	843,435	N/A	Increase due to VLGCs delivered vs sale of MGCs
Number of ships	Number	37	38	38	N/A	Adding VLGCs, selling MGCs
LPG carried	Metric ton	6,233,054	6,312,798	5,979,598	N/A	
Ammonia carried	Metric ton	1,618,772	1,914,128	2,217,337	N/A	
LNG carried	Metric ton	502,243	232,863	332,589	N/A	
Petrochemical gases	Metric ton	341,804	353,520	368,362	N/A	
Number of port calls	Number	1,609	1,935	1,944	N/A	
CO_2 by fleet (Scope 1 basis fuel consumed by fleet and excluding offices)[1]	Metric ton	591,735	593,038	603,689	N/A yet under current legislation	Reduction due to departure of older vessels and increased efficiency of VLGC design
Fuel consumption	Metric ton	191,632	193,902	197,219	Optimize	Reduction due to fleet composition
Energy consumed	Gigajoules	7,811,895	8,121,591	8,183,859	Optimize	Reduction due to fleet composition
of which HFO	Gigajoules	5,321,024	4,247,253	4,871,628	Optimize	HFO includes LSFO
of which MGO/MDO	Gigajoules	1,395,108	1,889,966	1,489,181	Optimize	
of which LDO	Gigajoules	980	3,238	128	Optimize	
of which LNG[2]	Gigajoules	1,058,702	1,981,135	1,822,922	Optimize	Reduction due to TFLNG stop
of which LPG	Gigajoules	36,082	0	0	Optimize	Start operation Flanders
Oil spills	Overboard (Number / M^3)	0	0	0	0	
	Inboard (Number / M^3)	1 event 0.3 m^3	2 events 0.6 m^3	3 events 1.1 m^3	0	

EXMAR SHIPPING (EXCLUDING INFRASTRUCTURE)

Metric/Materiality	Unit	2021	2020	2019	Target	Remark
AER < required[3]	%	-27	-30	-30	Regulatory compliance	Target trajectory value more stringent
EEDI < required[4]	%	-17.5	-15	-15	Regulatory compliance	Increase due to delivery Flanders vessels 2021
AER fleet total[5]	g/tonne-mile	12.48	11.59	11.83	<40% (2030)	Increase since CII is not yet regulatory implemented
NO_x		11,096	12,622	13,141	N/A	fleet size reduction
SO_x		996	1,060	6,770	N/A	IMO 2020 regulation (limiting sulphur content in fuel oil) explains significant reduction as from 01/01/2020
Particulate Matter		779	925	1,023	N/A	fleet size reduction
Ballast water treatment	Exchange %	36	50	55	0%	More vessels equipped with Ballast Water Treatment System
	Treatment %	74	50	45	100%	
Plastic waste landed	M^3	922	447	no data as single class	-10% (ref 2020 data)	Increase due to ban on on-board incineration

[1] Scope 1 emissions as per the Greenhouse Gas Protocol
[2] Excalibur and TFLNG only for relevance of data evolution; excluding LNGRV fleet in 2019
[3] Delta of average AER fleet compared to Poseidon Principle target trajectory value of the year ref. DNV in %
[4] Delta of average EEDI new vessels in fleet compared to regulatory required EEDI at newbuilding (applicable for vessels built >2013) in %
[5] Sum of the individual AER of all vessels in the fleet weighed according to their deadweight

- **SDG 14 – Life below water**

By accounting for the conservation and sustainable use of oceans and their resources our operations adhere to SDG 14. Also by implementing international maritime legislation and applying good practice principles (proper water and waste management, containing oil spills, controlling **effluents**). In addition, EXMAR is currently equipping it's vessels with on-board potable water fountains to replace the use of bottled water for human consumption (**plastic litter**). EXMARs various other due diligences already implemented and its ambitions for the future are extensively described in the chapters above.

Improvement actions

Sustainability initiatives

EXMAR Ship Management supports sustainability initiatives and is part of the Environmental Committee of Intertanko. It voluntarily participates in the Environmental Ship Index system (ESI) whereby vessel emission data is translated into an ESI score per vessel.

Replace bottled water supply

In 2022 on-board produced drinking water systems will be installed throughout the EXMAR fleet. The reverse-osmosis fresh water units (guaranteeing the highest degree of safety), are currently being tested on two of our vessels and will replace bottled drinking water throughout the fleet.

Inventory of Hazardous Materials

The Inventory of Hazardous Material onboard our shipping fleet was further optimized by the implementation of a digital IHM maintenance system which allows all new materials installed on board to be carefully assessed according to their hazard to both health and environment. This exercise ensures that, when a vessel is due to be recycled, all potential health hazards to crew and yard personnel and threats to the environment can be assessed in advance and managed safely.

ISO Certification

In addition to regulatory compliance, EXMAR Ship Management has implemented an Environmental Management System that is certified under ISO14001. The Environmental Manual, which is part of the company Safety Management System, sets the company standards on engine room bilge water management, sewage and grey water management, operational waste, garbage management and emissions.

Energy efficiency

To monitor energy efficiency, EXMAR Ship Management has an Energy Management System established under ISO 50001 certification of which the core document is the Ship Energy Efficiency Management Plan (SEEMP) Part I. This plan is used with the aim of controlling and optimizing ship's performance over time through tracking the fuel consumption per nautical mile (FOC/nm). Apart from the destination and arrival time of the ships, which charterers control, there are a variety of measures to improve efficiency which can be measured through the FOC/nm. Such measures range from trim optimization to weather routing, speed optimisation, hull coating, hull and propeller cleaning, engine performance monitoring and electrical power management. The link between fuel consumption and air emissions explains why EXMAR spends so much attention to increasing vessel efficiency both in operation and during design.

EXMAR uses a class-approved data dashboard system to accurately track the efficiency of its vessels and actively monitor deviations. The data of this dashboard system is followed-up both by office and vessel personnel and plays a crucial role in improving the energy efficient management of the fleet. Trends can be reviewed and needed actions identified i.e. comparing sister vessel, defining trends, identifying need for maintenance interventions, adjustment of engine parameters or hull and propeller cleaning.

EXMAR is actively working on expanding on-line sensor monitoring systems by which the parameters of equipment installed on board are automatically fed into the data dashboard system. This increased digitalization and direct data link reduces the workload of onboard personnel for data collection and allows for data enhancement and increased data analysing.

Social

To address human interaction in a broader perspective, EXMAR has identified the relevant UN Sustainable Development Goals (SDGs) 3, 4 and 8 with respect to SOCIAL which we contribute to.

- **SDG 3 – Good health and well-being**

Diversity and the possibility to work in balanced teams both onboard the vessels and onshore is considered important. The safety mindset on board is very mature and leads to excellent safety performance. This is achieved through EXMAR's long term Taking the Safety Lead program, running since 2014. Welfare programs are rolled-out to enhance the health and wellbeing of our seafarers. In view of the ongoing COVID-19 pandemic, significant efforts are spent on properly managing timely crew changes.

- **SDG 4 – Quality education**

EXMAR actively works with the Antwerp Maritime Academy and training centers in India, Jamaica and the Philippines. Both seafarers and office personnel are enrolled in continuous training programs which ensure our clients can rely upon our high quality and safe services.

- **SDG 8 – Decent work and economic growth**

EXMAR employs a significant number of seafarers with high employment retention rates from many different cultures and backgrounds. Human rights and non-discrimination is upheld and ensured throughout all levels of the organization. In addition, EXMAR upholds anti-bribery and anti-corruption policies.

Key Performance Indicators

EXMAR SHIPPING & INFRASTRUCTURE (EXCLUDING ENGINEERING DVO&EOC)

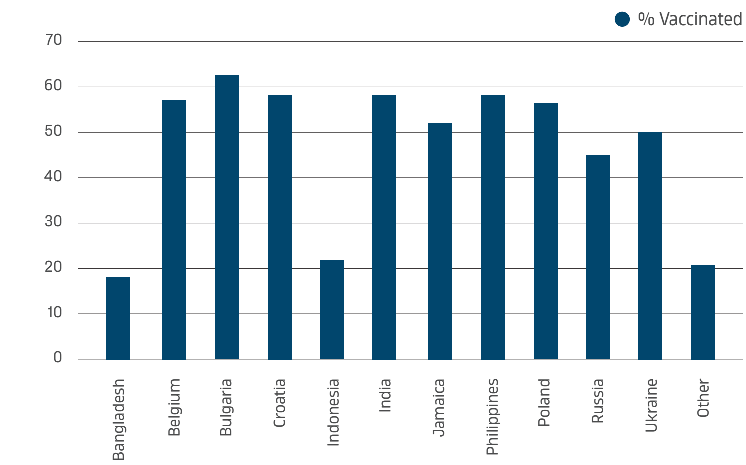
Metric/Materiality	Unit	2021	2020	2019	Target	Remark
Health & Safety						
Absence rate headquarters	% hours absent	1.79%	1.40%	2.40%	<2%	
Employee retention rate	Officers (%)	91.8%	92.69%	92.25%	>90%	
	Ratings (%)	80.6%	90.84%	94.31%	>85%	
	Office (%)	83.5%	94.78%	No data	>80%	Structural reformation
Lost Time Injury Frequency (LTIF)	Rate	0.61	0.33	0.67	<0.5	Reduction in fleet size increases injury impact rate
Total Recordable Cases Frequency (TRCF)	Rate	2.32	1.52	1.51	<2.5	
Near miss reports	Number	370	318	No data	>300	
Accidents or breakdowns (severity 5)	Number	0	1	1	0	
Fatalities	Number	0	0	0	0	
Audits overdue	Navigational	1	1	No data	0	1 audit delayed due to travel restrictions under COVID-19
	Internal	0	0	No data	0	
Conditions of class	Number	2	1	2	N/A	
Port State Control Inspections	Number	35	41	54	N/A	Reduction in inspections due to reduction in fleet size & COVID-19
Flawless inspections	%	88	79	74	80	

Metric/Materiality	Unit	2021	2020	2019	Target	Remark
Detentions	Number	0	0	2	0	
Maintenance overdue (Non-Critical)	%	3.02%	4.19%	3.45%	<2.5%	Overdue critical maintenance not allowed
Monetary losses as a result of legal proceedings associated to bribery and corruption	EUR	0	0	0	0	
Diversity						
Personnel	Number	1,849	2,094	2,416	N/A	
of which Seagoing	Number	1,615	1,844	2,124	N/A	
Headquarters (men/women)	Number	83/69	(87/79)	(101/95)	N/A	
Total share	%	45%	48%	48%	N/A	
Nationalities (off/onshore)	Number	43	51	53	N/A	Reduction due to departure of Excelerate Energy fleet

Health, Wellbeing & Safety

Throughout 2021, the COVID-19 pandemic largely impacted the way EXMAR managed its business. We prioritise the proper management of our crew and considered a respectful and humane treatment the crucial base of our organisation. Since our employees are key to our success, EXMAR continues to be an active member of Intermanager (International Association of Ship and Crew Managers). EXMAR is also a signatory to the Neptune Declaration on Seafarer Wellbeing and Crew Change (www.globalmaritime forum. org/neptune-declaration/). This initiative was initiated by the Global Maritime Forum to deal with the seafarer crisis by enabling crew changes and repatriation which have been highly problematic during the pandemic. EXMAR believes that the shipping industry can stabilise by vaccination of seafarers. We encourage our seafarers to accept vaccinations either within their home country or by making vaccination available to all crew on board in ports where these are offered. In the last quarter of 2021 we actively started promoting Booster shots for our crew. At the end of 2021, 53% of our seafarers were fully vaccinated (including the seafarers on-leave) and 73% of the crew actively on board at that moment.

VACCINATED CREW PER NATIONALITY



In these challenging times, we invested in a timely sign-off of our crew (within 14 days of end of contract) improving the well-being of our seafarers. In 2021 EXMAR Ship Management managed to sign-off 84% of its crew in time.

With active welfare programs onboard our ships and a well-defined organizational structure, we strive tocreate a sense of belonging and motivation for employees on every level. We promote healthier food habits and sent-out a mental health campaign to improve the health of our employees. Senior management frequently visit our vessels. Where these visits were limited due to trading area under the pandemic (far east, South America and Africa), regular phone calls were held between the senior management and our vessels. We monitor Work & Rest hours and ensure regulatory compliance. In addition, EXMAR implemented a Fatigue Management plan for seafarers, creating awareness that fatigue can also occur while remaining within regulatory requirements and providing tools to manage fatigue. By building healthy working conditions we can maximize personnel availability and keep employee retention rates as high as possible.

In the course of 2020 and 2021 EXMAR has invested in doubling the data bandwidth packages on board its vessels, jointly with the satellite communication providers, so that the crew can not only work more efficiently but has an increased ability to communicate effectively with their loved ones.

In order to safeguard the health and well-being of all employees working at the EXMAR headquarters during the pandemic, policies to ensure business continuity and remote working were continuously updated in compliance with Belgian Health & Safety regulations and the Belgian governmental rules and guidance.

Health is strongly linked with safety performance. Over the last three years we continuously improved our safety standards and succeeded in creating a safer fleet. EXMAR is not only looking into preventive measures for lost time injuries, but also into identifying the root causes of restricted work, medical treatment, first aid cases or serious near misses. Last year we obtained a significant increase in amount of Near Miss reports created by our ratings, which shows a maturity in safety mindset under our Taking the Safety Lead program. In 2021, we created a 2-monthly newsletter called 'Incident Alert Reports' where we share the lessons learned of near miss reports jointly with the root causes and investigation results of actual incidents in the fleet. Examples of other initiatives taken in 2021 are the roll-out of Control of Work over our entire shipping business fleet and a complete review of the Safety and Health Manual in our SMS.

Besides providing systems and tools, safety awareness and communication remains crucial. Started in 2019, the principle of bi-monthly safety campaigns was continued, exemplified by the following campaigns in 2021:

1. 04/02/21 - Mooring a hazardous operation: crucial elements for safe mooring operations
2. 02/03/21 - Security is not complete without U: increasing cyber security awareness
3. 08/04/21 - Know your machines: guidance for safe handling of machines
4. 08/06/21 - What is What?: highlight differences in hazard reporting
5. 13/07/21 - COVID Vaccine Myths and Facts: myths & facts of COVID-19 vaccination
6. 02/08/21 - Self-closing Doors: safe handling of self-closing doors
7. 12/10/21 - Empower Safety: Teach-Coach-Mentor approach to improve safety
8. 24/12/21 - Control of Work: highlighting important elements

Enhanced safety program – Control of Work

An improved method of risk management called 'Control of Work', based on offshore process safety, was developed throughout 2020 and embedded within EXMAR Ship Management SMS in 2021. Significant changes relate to the following elements:

- Daily coordination meetings must be performed during which the planning of the day is established and jobs are identified embodying low, medium or high risk. The emphasis is on cross-departmental communication, sharing lessons learnt and discussing possible simultaneous operations.

- A simplified approach in assessing and managing medium risks-jobs has been introduced called 'Job Hazard Analysis' and is embedded in the cycle of the risk management.
- A differentiation is made between preventive and mitigating safeguards during risk management. Emphasis is put on both managing the risk to a level as low as reasonably possible and on reducing the potential outcome if an incident would occur.
- A job debriefing must be performed to capture the lessons learnt albeit negative or positive.

Through 2021, this "Control of Work" procedure was rolled out over the entire shipping fleet and is now embedded into our day-to-day operations.

Quality of Education

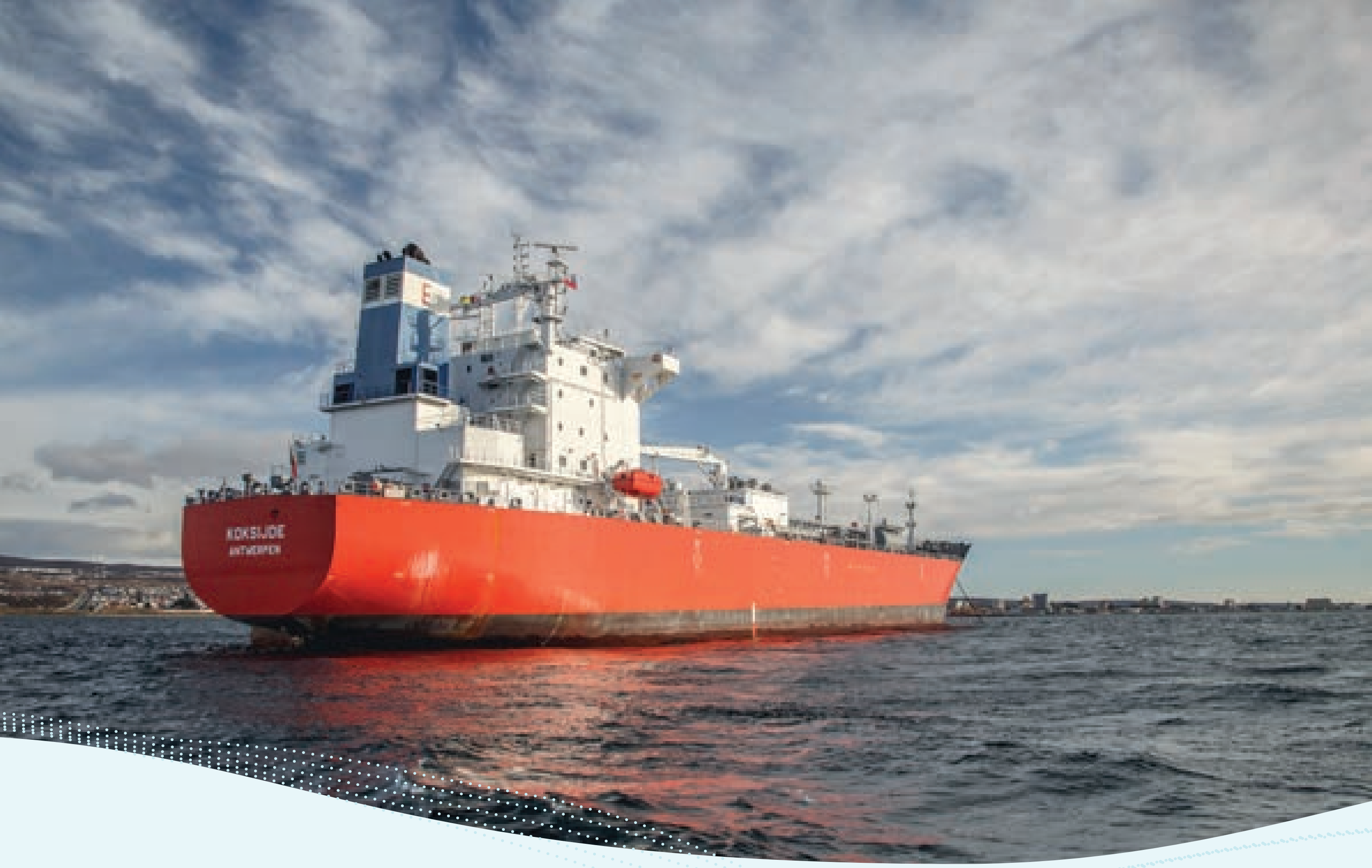
EXMAR considers both the quality of education and continuous improvement of its employees crucial in providing quality services to its clients. Therefore we spent considerable time and efforts on training both office personnel and seafarers, many of which took place remotely in 2021 due to the COVID-19 pandemic. Personnel's training is followed-up using fixed training matrixes that vary depending on rank and function. Also through organising conferences on a quarterly basis, interaction between seafarers and office personnel is enhanced and latest changes or improvements within the company are actively discussed.

There is also the long-standing cooperation between EXMAR and the Antwerp Maritime Academy as well as the established Caribbean Maritime Training Institute (Jamaica) or the Mapua School and Philcamsat training centre (Philippines). For example, students are being guided in terms of Master dissertation- topics so that theory and practice are matched where possible.

Social programs

EXMAR is a patron for many years of VZW Zachte Kracht, which is a charity that offers young people with special needs the opportunity to sail on a yacht at sea for a day. The organisation is located at the Royal Yacht Club in the Belgian town of Nieuwpoort. EXMAR also supports hockey club Gantoise in Ghent, Belgium.

In 2021 EXMAR has donated IT material for several charity projects, of which 30 laptops to two schools in Belgium and 40 laptops jointly with smartphones to two local schools in Africa. The non-profit organisations that activate these donations in Africa are 'iThemba' at Baraa Primary School in Arusha Tanzania and 'Les Amis du Cap Skirring ASBL' at the aid of Primary School Aissatou Diop in Cap Skirring Senegal. Naturally, this IT material is only distributed after wiping clean the content under the IT data security protocol.



Diversity & Decent work

Human rights and non-discrimination is ensured through standardized contracts of employment Collective Bargaining Agreements) with both seafarers and office personnel. Both on-board and ashore, EXMAR implements a company controlled evaluation process whereby employees are evaluated three times over the year or during their contract duration on board. Meetings are conducted between the head of department and the employee to ensure feedback is shared and development is properly guided. Grievances or complaints raised by crew members or by office personnel are treated confidentially under the grievance procedure or whistle-blower policy. Crew manning agents are audited annually by EXMAR headquarters through the internal audit system. Anti-corruption is upheld by standardized purchase flows which demand 3-way verification by several employees and by standard tender processes that involve careful evaluation and final selection of suppliers for substantial investments.

EXMAR spends careful attention to having balanced teams on the work floor and keeps diversity in mind with respect to gender as well as nationality. We employ an approximate equal share of women and men in the offices.

With the ongoing pandemic, it is still crucial to allow people to work from home while ensuring proper access to all data and the ability to easily organize web-meetings without compromising the company standards on IT security. The help desk of EXMAR's IT department continuously assists employees that face connectivity issues. A digital tool called Webex is used for communication with colleagues, for digital meetings and for chat messages and enhances internal communication between employees.

By carefully concluding charter party agreements with its clients and by using relevant BIMCO clauses and/or tailor made anti-bribery, anti-corruption and ethics clauses in addition to regular sanction clauses, EXMAR is able to avoid port calls to countries having a low score in the International Corruption Perception Index.

The percentage of overdue audits remained low considering the harsh conditions for organizing audits created by the pandemic. By spending a lot of time on planning and carrying out intermediate and special surveys, EXMAR Ship Management succeeds in reducing the number of deficiencies and had zero detentions on our ships at each Port State Control inspection. For the first time, we passed all external office audits with zero non-conformity.

EXMAR Ship Management and Wah Kwong Ship Management are equipped with Safety Management Systems. These companies hold ISO 9001 (quality) and ISO 14001 (environmental) certificates. Additionally EXMAR Ship Management holds the ISO 50001 (energy efficiency) and ISO 45001 (health and safety) standards. EXMAR HSEQ department is continuously looking into ways to optimize processes and improve the company's safety performance. Quarterly safety steering committee meetings are held to assess and review vessel performance. In addition, regular safety bulletins and quarterly performance reviews are issued to the fleet and shore staff.

Governance

To address governance, EXMAR has identified the relevant UN Sustainable Development Goals (SDGs) 17.

- **SDG 17 – Partnerships for the goals**

Compliance is a crucial part of EXMARs business strategy and the operations of the whole organisation. EXMAR operates globally and as such is governed by many diverse and complex regulatory systems.

Compliance program

EXMAR's Corporate Governance Charter was approved by the Board of Directors on 31 March 2010. The latest update of the Corporate Governance Charter, pursuant to the entry into force of the new Belgian Code of Companies and Associations and the most recent version of the Belgian Corporate Governance Code (the "Code 2020"), was approved by the Board on 3 December 2020. The last update was done on 3 December 2021. More information can be found in the investors area on the company website www.exmar.be > Investors.

To ensure optimal compliance with rules and laws and to reduce the risks of infringements and the adverse consequences these could have for EXMAR and all the stakeholders, the Board of Directors decided to implement a compliance program for EXMAR. This program was developed in cooperation with the management and external advisers and is based on the international standard COSO Framework (Committee of Sponsoring Organizations). It aims at reaching a permanent state of compliance by means of procedures and structures that are intended to provide continuous improvement.

The compliance program is included in the Compliance Model which describes the structures and procedures used to assess and detect risks, to report and curb violations and finally to make employees aware of the Model, providing them with additional training. The Compliance Model contains a Compliance Risk Universe, detailing all risks for legal, regulatory and business requirements. Risk assessment criteria are applied and Key Risk / Compliance Officers are appointed. Risks are reported and can be found tabulated in the "Internal control and risk management systems assessment" in Chapter 4 of this report titled 'Corporate Governance Statement'. Compliance training is made available to help understand and promote the awareness of the compliance model among the employees and crew. Supplementing the Dealing code and Code of Business Ethics (annex 3 and 4 to the Corporate Charter) a compliance manual clearly articulates and implements the different compliance policies of the company:

- Antifraud and anti-corruption policies
- Antitrust and competition policy
- Anti-money laundering policy
- Sanctions policy
- Privacy policy
- ICT policy
- HSEQ policy
- Whistleblowing policy
- Intellectual Property policy

Cyber security

EXMAR is increasing its focus on IT cyber security by incorporating Maritime Cyber Risk Management procedures within the Safety Management System and implementing a cyber security response plan. In line with this plan, a vulnerability assessment was conducted in 2021. As a result of this assessment EXMAR has, in cooperation with its suppliers, identified possible improvements in its security landscape.

In 2021 a two-step verification method was rolled out within EXMAR to increase the security of interactions across platforms and to prevent possible IT breaches. Due to the continued working from home policies under the ongoing pandemic, EXMAR IT has expanded its data storage capacity in 2021 to allow employees adequate space for saving and sharing digital data.

EXMAR did not experience a major cyber-attack in 2021 but faced an attack in September 2020 where phishing emails were distributed across employees and vessels. These emails were for the biggest part stopped by our email security solution and no further threats were observed. After the attack, the number of phishing emails resumed normal levels under which about 53% of all emails are intercepted by the company firewall.

Interaction towards decarbonization

There is a strong push by society to decarbonize shipping activities and align existing legislation accordingly. This asks for a close follow-up of future regulations. The KPI table below gives an indication of the relevant regulatory framework and links these with our company standards. The changing legal framework is crucial for the operations of EXMAR. Aside from the legal desk, our operational, technical and chartering teams are closely involved. The technical and HSEQ departments ascertain that the relevant current and future rules and regulations are correctly translated to both ship management services and ship construction.

Worthwhile mentioning is that EXMAR is actively participating in working groups such as the Belgian Shipowner's Association to provide input and share views on the drafting of new legislation on IMO and EU level. Besides the attention to emission regulations, there is the mounting focus to render EU ship recycling greener and safer. EXMAR is also an active SIGTTO member where it promotes LPG shipping and terminal operations, shares experiences and best practices or discusses problems.

Board and remuneration

The composition of the Board and the Committees of EXMAR conforms with the stipulations of the Belgian Code of Companies and Associations ("BCCA"), the articles of association of EXMAR and the Belgian Corporate Governance Code ("Code 2020").

GOVERNANCE

	Material topic	Company standard	(Inter)national reference
Risk & Regulatory Environment	Compliance	Articles of Association, Corporate Governance Charter, Code of Business Ethics	Belgian Corporate Governance Code 2020, Belgian Code of Companies and Associations
		Dealing Code	EU Market Abuse Regulation
		Compliance Model/Manual	Committee of Sponsoring Organizations (COSO) 2013 Framework
	Employees health & Safety	HSEQ policy	ISM code, Marine Crew Resource management, Modern Slavery Act
	Climate change	HSEQ policy	EU Green Deal (ETS), IPCC and IMO framework
	Air Emissions	HSEQ policy	IMO Marpol Conventions, EU Sulphur Directives, UNCLOS
	ICT	ICT policy	IMO cyber risk in SMS
		Intellectual Property policy	
	Anti-corruption	Antifraud, whistleblowing	UN Global Compact, US Foreign Corrupt Practices, UK Bribery Act
		Anti-money laundry policy	
	Competition	Anti-trust and competition policy	

	Metric / Materiality	Company standard	2021	2020	2019
Board composition	Number of Board Meetings	Number	5	8	7
	Number of Board Members	Number	10	10	11
	Board Meeting Attendance	%	100%	96%	100%
	Share of other gender	%	40%	40%	45%
Remuneration	Audit fees	1,000 EUR	389	380	457
	Non-audit fees	1,000 EUR	140	184	254
	Board and Committees remuneration	1,000 EUR	580	600	650
	EXCO remuneration	1,000 EUR	1,355	1,530	2,493
	CEO remuneration	1,000 EUR	575	1,876	998
Data Protection	Endpoint files & IP's scanned	Number	690,170,000	578,320,000	No data
	Endpoint security compromises	Number	121	137	No data

The Board of Directors consists of ten members, a sufficient number of directors to ensure proper operations taking into account the specific fields of activity of the company. EXMAR strives to have a diverse Board: directors not only differ in terms of their background, education, age or gender, but also in their independence, experience and professional expertise. This offers a range of perspectives, insights and the critical thinking considered essential to enable efficient decision-making and good governance. As per the Corporate Governance Charter a minimum of four meetings are to be held each year. Additional meetings are organised whenever the interest of the Company requires it.

The Nomination and Remuneration Committee ensures that remuneration is in line with market practice, and complies with the Company's Remuneration Policy which adopts provisions and new dispositions of the legislation adopted by the Belgian Parliament and published 26 November 2019 and 6 May 2020 for the implementation of the Second Shareholders' Rights Directive (SRDII), the BCCA and the Code 2020. More information can be found in the Remuneration Report, which describes EXMAR's executive and non-executive remuneration and how executive compensation levels are set considering individual and company performance.

INNOVATION

With respect to innovation, EXMAR is especially concerned with delivering on SDGs 7 and 9 since these strongly correlate with the DNA of the Company.

- Being at the forefront of providing LPG, LNG and ammonia shipping solutions, EXMAR has been active in transforming the value chain of these products to offer competitive and more efficient transport to distribute cheaper and cleaner energy and feedstock worldwide in line with SDG 7.
- EXMARs innovative approach in developing new ship designs, performing STS-transfers and pioneering FSRU and FLNG solutions demonstrate our contribution to SD 9.

In view of reducing the carbon footprint and fighting climate change, EXMAR's position in the market allows it to play an active part in the global transition to a low-carbon economy. Among other elements, the increased demand for sustainable infrastructure is accelerating the energy transition.

Since its foundation, EXMAR has aimed to keep innovating its business. Introducing ship-to-ship transfers, building the first FSRU and FLNG barges and consistently designing the most innovative Midsize Gas Carriers are testimonies of that vision. Significant resources and a part of the investment budget are being allocated towards research and development for the development of greener initiatives.

VLGC dual fuel LPG design

The two new VLGCs constructed at Jiangnan shipyard were successfully delivered in June and September 2021. All tests and trials have proven that the environmental performance of the VLGCs is outstanding compared to its peers because of the following factors:

- A reduction of 15% of GHG emissions thanks to:
    - The usage of LPG as fuel
    - Advanced hull line optimization
    - Application of a premium low-friction anti-fouling coating on the underwater hull
    - Installation of a propeller with an extremely low surface roughness and a boss cap fin
    - Installation of a full spade rude
    - Provision of performance monitoring tools including trim optimization software
- Lower air pollution thanks to the use of LPG as fuel in combination with an SCR system:
    - SOx emissions lowered by 95%
    - NOx emissions lowered by 10% for worldwide trade and compliant with the stringent IMO Tier III regulations in ECA zones
    - Particulate Matter content in the exhaust gas reduced by 90%
- Avoidance of the use of harmful substances and reduced risks of other pollutants such as:
    - Eco-condenser in the LPG reliquefaction system to avoid hydrocarbon venting from the cargo operations
    - Non-ozone depleting refrigerant in the cooling systems
    - UV-type ballast water treatment system, IMO D-2 and USCG compliant
    - A 5 ppm oily water separator, instead of the standard 15 ppm unit
    - Use of environmentally acceptable lubricants for grease on open deck
    - Inventory of Hazardous Materials from newbuilding

As per the IMO requirements, the vessels need to comply with the EEDI-2 limit, meaning an overall reduction in direct CO_2 emissions of 20% compared to the reference standard. This minimum compliance has been met easily and the Sea Trials have confirmed that the vessel's carbon footprint is 38.5% lower compared to the benchmark. FLANDERS INNOVATION and FLANDERS PIONEER therefore even outperform the EEDI-3 requirement entering into force for vessels contracted as from 2022.

Regarding the social aspect, the vessels are fully compliant with the Maritime Labour Convention. Additional investments have been made to improve the accommodation and enhance the welfare of the crew. The galley equipment was upgraded and the design of the galley was made in consultation with a galley coach. The ships office has an 'open office' setup, which will contribute to social interaction. Under the same reasoning, a common mess room was

chosen instead of the historical separate mess room for officers and ratings. A dedicated smoking room with proper extraction fan is foreseen where smoking is allowed; in all other places in the accommodation smoking is forbidden.

Site teams

EXMAR was active in two shipyards with site supervision teams: one at the Jiangnan Shipyard in Shanghai, China for the construction of the two newbuild VLGCs and one at Hyundai Heavy Industries in Ulsan, South Korea for the construction of the King's Quay semi-submersible platform. Both teams consisted of a mix of international expatriates and local supervisors.

The ongoing pandemic made it difficult for people to get on site and return back home in time. Nevertheless, EXMAR has managed to ensure a continuous presence at both locations thanks to the support of local supervisors.

EXMAR ascertained that all supervisors could work under optimum conditions following all governing HSEQ standards. The necessary tools, personal protective equipment and office spaces were foreseen to execute the daily inspection works. Contractually, EXMAR ensured that the shipyard follows the OCIMF guidelines on "Health, Safety and Environment at New Building shipyards" to guarantee a safe working environment for our supervisors in a challenging heavy industrial context.

Ammonia-fuelled MGC design

In order to reduce the GHG emissions from the worldwide fleet in line with the regulatory framework, it will be necessary for at least a part of the shipping fleet to achieve zero-carbon emissions to compensate for existing tonnage where such significant reduction is not always feasible. This is where ammonia as fuel may play a significant role. The ammonia molecule contains no carbon; it is a combination of hydrogen and nitrogen. Hence when combusting ammonia, no CO_2 is released in the atmosphere. The emissions mainly consist of water vapor and nitrogen gas, the latter which makes up 78% of the air we breathe.

Several studies have highlighted the potential of ammonia, which is why EXMAR is committed to studying in-depth the prospects of ammonia as fuel. A part of the EXMAR MGC fleet is used to transport ammonia. These vessels can be the ideal pilot cases to integrate ammonia as fuel. Together with several partners and suppliers EXMAR obtained an approval in principle (AIP) awarded by Lloyds Register for the design of an ammonia fuelled MGC. This was set out in EXMAR's press release dated 10 March 2021. Based on the outcome of the AIP, EXMAR continued the development of such a vessel. Regular discussions are taking place with the two 2-stroke engine suppliers MAN-ES in Denmark and WINGD in Switzerland. These companies are currently developing an ammonia fuelled engine which should be ready by 2024-2025.

EXMAR announced earlier in 2021 that it signed a Collaboration Agreement : Memorandum of Understanding (MOU) with one of its clients NUTRIEN to jointly develop and build a low-carbon, ammonia-fuelled vessel. NUTRIEN, EMXAR's partner for over three decades, is one of the world's largest producers of low-carbon ammonia. The new collaboration aims to significantly reduce the maritime transportation emissions and enable the commercial development of an ammonia-fuelled vessel.

NUTRIEN has actively pursued the development of low-carbon ammonia for more than a decade and has approximately 1 million tonnes of production capability through its Redwater and Joffre Alberta operations, as well as its Geismar, Louisiana facility which employs carbon capture and sequestration technology to reduce the carbon intensity of its ammonia for use as a maritime fuel.

When compared to conventional fuels, it is anticipated that the use of NUTRIEN's existing low-carbon ammonia will achieve a reduction of greenhouse gas emissions of up to 40%. Emissions reductions of up to 70% can be achieved with the development of low-carbon ammonia using proven, scalable, best available technology and permanent sequestration of CO_2.

Nutrien and EXMAR are confident that the development of a vessel powered by low-carbon ammonia can align with IMO's 2050 goals and expect deep decarbonisation of the maritime industry to be achievable prior to 2030.

Under the MOU, Nutrien and EXMAR will, amongst others, collaborate on the following:

- Select an ammonia engine and supply system manufacturer
- Select a shipyard capable of building an ammonia-powered vessel
- Use Nutrien's existing low-carbon ammonia supply from Geismar as a fuel
- Deploy an ammonia-fuelled vessel as early as 2025

CO_2 transport

With the EU Green Deal in mind, the incentives for European manufacturing to reduce GHG emissions have risen significantly. Increasing the efficiency of industrial processes to reduce the carbon footprint has its limits. Hence, many companies are investigating in ways to capture the CO_2 exhaust from their funnels for subsequent storage (CCS) or reuse (CCU). Reutilizing the CO_2 has a great potential to create a circular economy but the technology readiness is low as well as the scale on which it can be done. A relatively short-term solution to significantly reduce the CO_2 footprint in line with the EU Green Deal requirements will be to capture CO_2 and store it safely and securely underground.

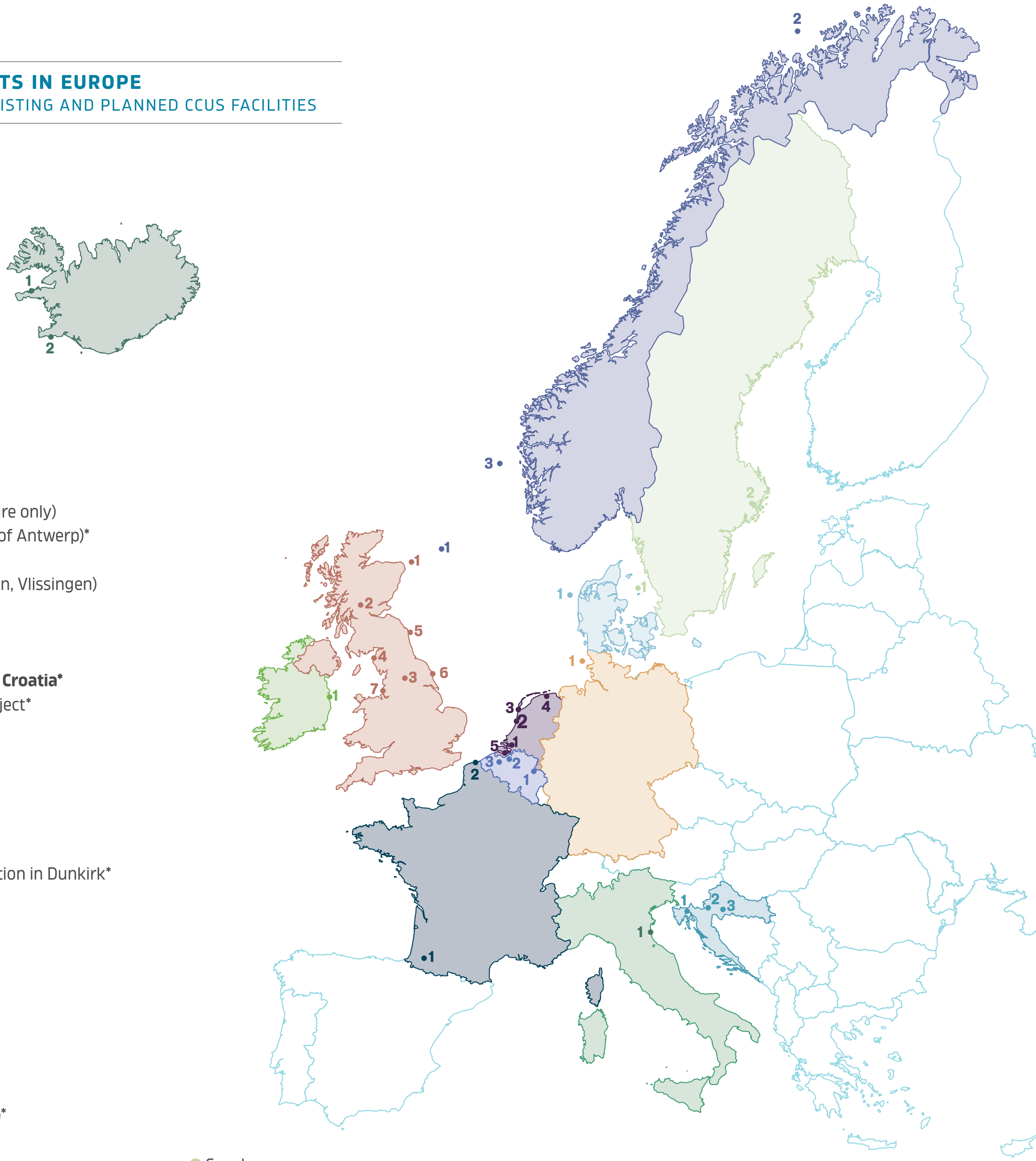
The map to the right shows 30 locations where major CCUS projects are being formed, where feasibility studies are ongoing and for some of them where FID already has been taken. Two conclusions, relevant for EXMAR, can be drawn:

- The majority of the projects is concentrated around the North Sea
- There is a disconnect between the major CO_2 emitting sites (Northwest Europe) and the large CO_2 storage sites (Norway-UK)

Since installing pipelines in the North Sea will take a long time and be very costly, shipping will be necessary to enable a large-scale storage of CO_2. By 2030, it is expected that a CO_2 shipping capacity of more than 10 MTPA will be required to distribute CO_2 from NW-Europe to the North Sea storage locations. An internal study demonstrated that, for shipping volumes in the range of 2-3 MTPA, it makes sense to use larger vessels compared to the two 7,500 ton vessels currently being constructed for the Northern Lights project.

CCUS PROJECTS IN EUROPE
OVERVIEW OF EXISTING AND PLANNED CCUS FACILITIES

Source: IOGP



● Belgium
1. Leilac (pilot capture only)
2. Antwerp C (Port of Antwerp)*
3. North Sea Ports
   (Ghent, Terneuzen, Vlissingen)

● Croatia
1. iCORD*
2. **CO_2 EOR Project Croatia***
3. Bio-Refinery Project*

● Denmark
1. Greensand*

● France
1. Lacq*
2. DMX Demonstration in Dunkirk*

● Germany
1. H2morrow*

● Iceland
1. Orca
2. **Hellisheidi**

● Italy
1. CCS Ravenna Hub*

● The Netherlands
1. Porthos (Port of Rotterdam)*
2. Athos (Ijmond)
3. Aramis (Den Helder)
4. Magnum (Eemshaven)*
5. North Sea Port

● Norway
1. **Sleipner CO_2 Storage***
2. **Snøhvit CO_2 Storage***
3. Longship (including Northern Lights)*

● Republic of Ireland
1. Ervia

● Sweden
1. Preem CCS*
2. Stockholm Exergi Bio-CCS*

● UK
1. Acorn*
2. Caledonia Clean Energy
3. H21 North of England*
4. Liverpool-Manchester Hydrogen Cluster
5. Net Zero Teesside*
6. Humber Zero Carbon Cluster*
7. Liverpool Bay Area CCS Project*

* Project where IOGP members are involved
Projects listed in **bold** are in operation

Transporting liquid CO_2 will have to be done at very specific conditions. Where LNG, LPG or NH_3 can be transported at ambient pressure as long as the cargo is cooled down sufficiently, liquid CO_2 always requires to be pressurized (above the triple point of 4 barg and -56°C) to avoid solidification (i.e. dry ice formation) of the product. Current CO_2 carriers transport the product at medium pressures of about 15 barg in cylindrical IMO type C tanks. Looking at the potential volumes which will have to be shipped, these smaller vessels with capacities of up to 5,000 m^3 will not be sufficient to cover the demand. The development of larger vessels using medium pressure transport conditions will be a technical and economical hurdle. Therefore EXMAR is considering CO_2 transport under low-pressure regimes (i.e. around 7barg). Even at these lower pressures the construction of large cylindrical (or bi-lobe) tanks becomes challenging when it comes to constructability and finding suitable steel to deal with the combination of pressure a cryogenic temperature.

To tackle this issue, EXMAR started a cooperation with LATTICE technology. The patented Lattice Pressure Vessel design allows the pressurized tank to be built in a prismatic shape (same as LPG type A tanks, LNG prismatic type B tanks or LNG membrane tanks) which makes it possible to design the vessel with similar dimensions as a standard midsize gas carrier in a very cost efficient way. A feasibility study proved that the tank design provides the best solution for large-scale CO_2 transportation at low and even medium pressures. The design and vessel size can be adjusted to meet all required transport volumes to ensure the most optimal logistical solution in the most cost-competitive way. For a similar capacity of ship, the length can be reduced with almost 20%. EXMAR's initial design is a 210 meters long Panamax beam vessel with a cargo capacity of about 40,000 m^3. Such a vessel will be tailored to support CCUS projects with capacities ranging from 2 to 10 MTPA. Additionally, a 3,000 m^3 storage capacity for low CO_2 emitting fuels like LPG, LNG or ammonia has been foreseen. The Joint Development will combine LATTICE's innovative and efficient tank design for CO_2 transport together with EXMAR's strong knowledge and experience in design and operation of innovative and efficient gas carriers. The basic design of the vessel and cargo system is under development, which will be followed by an application for an approval in principle.

Because the majority of the CCUS consortia are for an initial phase looking at medium pressures, EXMAR is also working on a 12,000 m^3 CO_2 carrier design on medium pressures. A study will be performed if LATTICE Technology tanks can also give a competitive advantage for this vessel size compared to the traditional cylindrical tanks.

The hydrogen import coalition

EXMAR is part of the Belgian Hydrogen Import Coalition since 2019. This coalition brings together the industrial expertise of EXMAR, DEME, ENGIE, Fluxys, Port of Antwerp, Port of Zeebrugge and Waterstofnet to study importing renewable energy by means of hydrogen carrier molecules.

Early 2021 a study was completed analysing all steps of the value chain from renewable energy production, electrolysis and synthesis into a hydrogen carrier molecule, to shipping, terminal management and end-use in Belgium.

Renewable electricity produced from solar and wind power will be converted into hydrogen using large scale electrolysis. Because hydrogen is difficult to transport, it can be converted into other molecules such as e-methane or e-methanol by adding CO_2. It can also be converted into 'green' ammonia by adding nitrogen or it can be loaded onto a liquid organic hydrogen carrier (LOHC) such as toluene or dibenzyltoluene.

The study demonstrated that large-scale green hydrogen import is both technically feasible and cost-effective. When delivered to Belgium, the cost range of imported renewable energy from low-cost locations is in the range of 65-90 Eur/MWh by 2030-2035 with a further potential cost reduction to 55-75 Eur/MWh or less by 2050. As several hydrogen-based molecules are feasible and many sourcing regions are capable of providing cost-competitive energy, sound and sufficiently diversified geopolitical and market dynamics are ascertained.

The most promising hydrogen-based energy molecules i.e. ammonia, methanol and synthetic methane are not hindered by technological scale-up hurdles today and could already be deployed in existing transport lines and off-take markets. A diversified portfolio of initial projects and demonstrators for all these molecules and technologies will serve to gain experience and further reduce cost gaps.

With the Hydrogen Import Coalition partners, EXMAR keeps on contributing to the major goals which are set:

- Development of pilot project within the ecosystem of the coalition
- Continuation of the advocacy mission on the policy framework and possible support mechanisms
- Building on a roadmap in dialogue with major industrial stakeholders

4 CORPORATE GOVERNANCE STATEMENT

4.1 CORPORATE GOVERNANCE STATEMENT

Corporate Governance aims to define several rules and behaviours according to which companies are properly managed and controlled, with the objective to increase transparency. It's a system of checks and balances between the shareholders, the Board of Directors, the Chief Executive Officer and the Executive Committee.

GOVERNANCE MODEL

EXMAR NV ("EXMAR" or "the Company") adopted the Belgian Corporate Governance Code 2020 ("Code 2020") as a reference code.
The Code 2020 is structured under 10 principles:

1. The Company shall make an explicit choice regarding its governance structure and clearly communicate it;
2. The Board and the Executive Management shall remain within their respective remits and interact constructively;
3. The Company shall have an effective and balanced Board;
4. Specialized Committees shall assist the Board in the execution of its responsibilities;
5. The Company shall have a transparent procedure for the appointment of board members;
6. All Board members shall demonstrate independence of mind and shall always act in the best interests of the Company;
7. The Company shall remunerate Board members and executives fairly and responsibly;
8. The Company shall treat all shareholders equally and respect their rights;
9. The Company shall have a rigorous and transparent procedure for evaluating its governance regime;
10. The Company shall publicly report on the application of the code.

EXMAR's Corporate Governance Charter was approved by the Board of Directors on 3 December 2020.

The Charter is a summary of the rules and principles around which EXMAR's corporate governance policy is organised, and is based on the provisions of the coordinated articles of association, the Belgian Code of Companies and Associations as adopted by Royal Decree of 12 May 2019 ("BCCA"), and the Code 2020.

The Charter was revised by the Board of Directors in 2020 in order to designate the Code as reference code within the meaning of Article 3:6, §2, 1° of the BCCA.

Before adopting the Charter, the Board of Directors reflected thoroughly on its governance structure, sustainable value creation and focus on long term. EXMAR is aware of the importance of sound governance, and is convinced that compliance with the highest standards of corporate governance is fundamental to long term growth and is important for all stakeholders of the Company. EXMAR is an institutional member of Guberna, a knowledge centre promoting corporate governance in all its forms offering a platform for the exchange of experiences, knowledge and best practices.

The key features of the governance model of EXMAR are:

- A Board of Directors, which defines EXMAR's general policy and strategy and supervises the operational management;
- An Audit and Risk Committee, a Nomination and Remuneration Committee and an Executive Committee created by the Board of Directors;
- A Chief Executive Officer (CEO) who takes primary responsibility for daily management.

EXMAR aims to comply with most provisions of the Code 2020, but the Board of Directors is of the opinion that deviation from provisions may be justified in the light of the Company's specific situation. If applicable, an explanation is provided in the Corporate Governance Statement (the "Statement") about such deviations during the past financial year in accordance with the "comply or explain" principle.

EXMAR deviates from provisions 7.6 and 7.9 of the Code 2020. These deviations are described and explained in the remuneration report.

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement describes the measures taken by EXMAR to ensure compliance with laws and regulations. To reduce the risks of infringements and the adverse consequences for EXMAR and all the stakeholders a compliance program was implemented.

The Charter should be read together with the coordinated articles of association of the Company, the annual financial report (including the Statement) and any other information made available by EXMAR. The elements listed in Article 34 of the Belgian Royal Decree of 14 November 2007 and Article 14 of the Law of 2 May 2007 are disclosed in this Statement and in the report of the Board of Directors to the shareholders and should consequently be read in conjunction.

The Charter and Statement of EXMAR can be consulted on the website:
http://exmar.be/en/investors/corporate-governance.

BOARD OF DIRECTORS

One-tier structure

The extraordinary general meeting of 11 September 2020 approved the articles of association of the Company revised in order to comply with the BCCA. A one-tier governance structure was adopted. At least once every five years, the Board of Directors evaluates whether the chosen governance structure is still appropriate, and if not, proposes a new governance structure to the General Meeting.

Composition

Currently, the Board of Directors consists of 10 members, of a sufficient number of directors to ensure proper operation, taking into account the specificities of the Company.

Functions and terms of office of the directors on the Board as per 31 December 2021:

Name – Function	Beginning of mandate	End of mandate
FMO BV represented by Francis MOTTRIE * • Executive director • Chief Executive Officer (CEO) *Appointed at AGM of 18 May 2021 as executive director in replacement of / in continuation of the mandate of Mr. Francis Mottrie	11 September 2020	General Meeting 2022
Nicolas SAVERYS • Executive chairman • Executive director	20 June 2003	General Meeting 2024
Michel DELBAERE • Independent director • Chairman Nomination- and Remuneration Committee * As from 9 September 2021	17 May 2016	General Meeting 2022
JALCOS NV represented by Ludwig CRIEL* • Non-executive director • Chairman Nomination- and Remuneration Committee • Chairman Audit and Risk Committee *Appointed at AGM of 16 May 2017 as non-executive director in replacement of / in continuation of the mandate of Mr. Ludwig Criel (who was appointed as a director on 20 June 2003)	16 May 2017	1 July 2021
Ariane SAVERYS • Non-executive director	15 May 2012	18 May 2021
Pauline SAVERYS • Non-executive director	15 May 2012	18 May 2021
Baron Philippe VLERICK • Non-executive director • Member Audit and Risk Committee	20 June 2003	General Meeting 2023
Barbara SAVERYS • Non-executive director	19 May 2015	27 July 2021
Isabelle VLEURINCK • Independent director • Member Nomination- and Remuneration Committee • Member Audit and Risk Committee	21 May 2019	General Meeting 2022
Wouter DE GEEST • Independent director • Member Audit and Risk Committee	19 May 2020	General Meeting 2022

Name – Function	Beginning of mandate	End of mandate
Carl-Antoine SAVERYS • Executive director (replacing Ariane Saverys)	18 May 2021	General Meeting 2024
Stephanie SAVERYS • Non-executive director (replacing Pauline Saverys)	18 May 2021	General Meeting 2024
ACACIA I BV represented by Els VERBRAECKEN • Independent director • Member Audit and Risk Committee • Member Nomination- and Remuneration Committee	9 September 2021 by co-optation	General Meeting 2022
Maryam AYATI • Independent director	9 September 2021 by co-optation	General Meeting 2022

Powers and responsibilities

The Board of Directors is the highest decision-making body of the Company. The powers and the operation of the Board are described extensively in the Charter.

The Board is authorised to perform all acts that are necessary or useful for the realisation of the object of the Company, with the exception of those that are reserved for the General Meeting by the BCCA or the coordinated articles of association.

The Board of Directors strives for the long-term success of the Company, providing the necessary leadership and ensuring that risks can be identified and managed. The Board of Directors is responsible for the overall strategy and values of EXMAR, based on social, economic and environmental responsibility, gender diversity and diversity in general.

Activities

During 2021, the Board held five meetings, all of which were held under the chairmanship of Mr. Nicolas Saverys. All directors were present or represented at the meetings. The Board further decided at three occasions by written resolutions dealing with specific matters.

In addition to exercising the powers provided by law, the articles of association and the Corporate Governance Charter, the Board of Directors deals with reviewing and deciding on the long-term strategy, key policies and structure of the Company and disclosing the accounts and financial statements of the Group.

COMMITTEES

Audit and Risk Committee

COMPOSITION
JALCOS NV represented by Ludwig CRIEL • Non-executive director • Chairman Audit and Risk Committee * *Until 1 July 2021
Baron Philippe VLERICK • Non-executive director • Chairman Audit and Risk Committee * *As from 9 September 2021
Isabelle VLEURINCK • Independent director
Wouter DE GEEST • Independent director
ACACIA I BV represented by Els VERBRAECKEN * • Independent director *As from 9 September 2021

The Code 2020 provides that the Board of Directors establishes an Audit Committee in accordance with the BCCA. Given its role in risk matters, this Committee may also be referred to as the "Audit and risk Committee". The Board of Directors decided in 2020 to merge the existing Audit Committee and Risk Committee into one Audit and Risk Committee.

Following the resignation of JALCOS NV as of 1 July 2021, Philippe Vlerick was nominated as chairman of the Committee at the meeting of 9 September 2021 and ACACIA I BV represented by Els Verbraecken was appointed by the Board as member of the Committee as from 9 September 2021.

Powers and responsibilities

The Board of Directors has granted the Audit and Risk Committee the broadest powers of investigation within its area.

The Audit and Risk Committee assists the Board of Directors with the fulfilment of its supervisory task and to ensure monitoring in the broadest sense. It is the main point of liaison for the Internal Auditor and the External Auditor. All the members of the Audit and Risk Committee possess the necessary expertise concerning accounting and auditing, and are familiar with financial reporting, accounting standards and risks, because of their qualifications, their careers in various multinational groups and/or their current professional activities.

With the entry into force of the EU General Data Protection Regulation 2016/679 (GDPR) as of 25 May 2018, a Data Protection Committee (DPC) has been appointed. The DPC reports to the Audit and Risk Committee.

Activities

The specific responsibilities of the Audit and Risk Committee are set out in the Corporate Governance Charter and in an Audit Charter. This Audit Charter was approved by the Board of Directors on 31 March 2011 and is revised from time to time and lastly on 19 March 2021.

Four meetings were held in 2021, each in the presence of all members. The Internal Auditor attended all four meetings and the Statutory Auditor attended three meetings.

The Audit and Risk Committee deliberated on specific financial matters, internal control and risk management and matters of compliance that arose during the year and made recommendations to the Board of Directors.

Nomination and Remuneration Committee

COMPOSITION
Michel DELBAERE • Independent director • Chairman Nomination and Remuneration Committee* *As from 9 September 2021
JALCOS NV represented by Ludwig CRIEL * • Non-executive director • Chairman Nomination and Remuneration Committee *Until 1 July 2021
Isabelle VLEURINCK • Independent director
ACACIA I BV represented by Els VERBRAECKEN * • Independent director *As from 9 September 2021

The Nomination and Remuneration Committee operates in compliance with Article 7:100 BCCA:

- Composed out of a majority of independent directors
- Chaired by a non-executive director
- Other members are non-executive

The Nomination and Remuneration Committee was composed of three members on 31 December 2021 and reports to the Board of Directors. Following the resignation of JALCOS NV as of 1 July 2021, the Committee was temporarily reduced to two members until 9 September 2021 when the Board nominated ACACIA I represented by Els Verbraecken as member of the Committee. The Committee members elected Michel Delbaere as chairman of the Committee on 9 September 2021.

Powers and responsibilities

The Committee has a balanced composition and has the necessary independence, skills, knowledge, experience and capacity to execute its duties efficiently.

The Committee assists the Board of Directors with carrying out its responsibilities with respect to the determination of the Company's remuneration policy and the nomination procedures.

Activities

The specific responsibilities have been set out in EXMAR's Corporate Governance Charter and a Nomination and Remuneration Committee Charter. The latter was approved by the Board of Directors on 29 November 2011 and is revised from time to time and lastly on 3 December 2021. The Board of Directors also approved a revision of the procedure for the nomination and reappointment of directors and members of the Executive Committee, on 3 December 2021.

Four meetings were held in 2021, in the presence of all members except for the meeting on 18 May 2021, which was attended by two of the three members.

With respect to remuneration, the following items were discussed:

- Remuneration package
- Remuneration report

With respect to the nominations of the newly appointed directors and members of the Executive Committee, the Committee formulated recommendations in line with the diversity policy of the Company.

EVALUATION

In order to function effectively, it is required for the Board of Directors to have a transparent means by which it can measure and review its performance with a clear potential path for renewal and improvement.

The Code 2020 and the Charter foresee this requirement by periodically requesting Board members to complete an evaluation.

The Board of Directors, under the guidance of its Chairman, first introduced the evaluation process in 2011 which was repeated from time to time. A new evaluation process was implemented in 2021.

The evaluation has the main objective of improving the added value of the Board of Directors. It should reinforce the values of the Company, increase efficiency also assists in detecting and proactively dealing with any potential problems.

Following the evaluation, feedback by the members of the Board of Directors may result in fine-tuning the functioning of the Board of Directors and the committees where required.

Secretary

Mr. Mathieu Verly, Secretary, was appointed as of 1 July 2015.

The Secretary ensures that Board procedures are complied with and that the Board acts in accordance with its statutory obligations and its obligations under the coordinated articles of association. He shall advise the Board on all governance matters and assist the Chairman in fulfilling his duties as detailed above, as well as in the logistics associated with the affairs of the Board (information, agenda, etc.).

Executive Committee – CEO

COMPOSITION AS PER 31 DECEMBER 2021
FMO BV represented by Francis MOTTRIE • Executive director • Chief Executive Officer (CEO)
FINMORE BV represented by Christine VERHAERT • Chief Financial Officer (CFO)
Lisann AS represented by Jens ISMAR • Executive Director Shipping
FLX Consultancy BV represented by Jonathan RAES • Executive Director Infrastructure

On 3 December 2020, the Board of Directors set up an Executive Committee which, under the responsibility of the Board of Directors, is responsible for the day-to-day management and policy of the Group, the implementation of decisions taken by the Board of Directors, and the specific tasks delegated to it by the latter.

Powers and responsibilities

The Board determines the specific powers and tasks entrusted to the Executive Committee, and develops a clear delegation policy in close consultation with the CEO.

The Executive Committee is responsible for the day-to-day management and daily policies of EXMAR and the EXMAR group, the execution of the decisions taken by the Board and the specific tasks that the Board has delegated to the Committee, as set out in the Charter and the Executive Committee Charter, which was updated in 2020.

The Executive Committee meets on a regular basis. The CEO is the chairman of the Executive Committee.

GENERAL INFORMATION ABOUT EXMAR AND ELEMENTS LISTED IN ARTICLE 34 OF THE BELGIAN ROYAL DECREE OF 14 NOVEMBER 2007

Date of establishment and amendments to the articles of association

The Company was established by notarial deed on 20 June 2003, published in the appendix to the Belgian Official Gazette of 30 June thereafter, reference 03072972, and of 4 July thereafter, reference 03076338.

The articles of association were amended several times. New articles of associations were adopted in order to meet the stipulations of the BCCA by deed executed before civil law notary Benoit De Cleene in Antwerp, replacing his colleague notary Patrick Van Ooteghem in Temse, on 11 September 2020, published in the appendix to the Belgian Official Gazette of 26 November thereafter, reference 20139984.

Registered office

De Gerlachekaai 20, 2000 Antwerp, Belgium.

VAT BE0860.409.202
Company Registration Antwerp – section Antwerp.

Capital and shares

The issued capital amounts to USD 88,811,667, is fully paid-up and is represented by 59,500,000 shares without nominal value. For the application of the provisions of the BCCA, the reference value of the capital is set at EUR 72,777,924.85.

All shares have been paid up in full. During the past financial year, no capital changes have occurred that must be reported in accordance with article 7:203 of the BCCA.

Notwithstanding the provisions laid down in article 3:42 of the BCCA, the capital and the accounting are expressed in US dollars. This derogation was granted by the Ministry of Economic Affairs and was confirmed in writing on 2 July 2003. The reasons for which this derogation was requested remain applicable.

All EXMAR shares are entitled to the same rights. There are no different classes of shares. Each share entitles its holder to one vote at the shareholders' meetings. Of the 59,500,000 shares 8,565,334 shares are registered and 50,934,656 shares were dematerialized as per 31 December 2021.

Authorized capital

Pursuant to the BCCA, the Board of Directors may be authorized by the shareholders, during a five years' period, to increase the capital up to a defined amount and within certain limits.

By decision of the Extraordinary General Meeting of Shareholders held on 11 September 2020, the Board of Directors was authorized to increase the share capital of the Company once or several times, in the manner and at conditions to be determined by the Board of Directors, within a period of five years with effect from the date of publication of such a decision, by a maximum amount of USD 12,000,000, the reference value of EUR 7,703,665.66 for application of the provisions of BCCA. The special report of the Board of Directors was drawn up in accordance with the provisions of Section 7:199 of the BCCA.

In 2021 the Board of Directors did not make use of the right to increase the capital in the framework of the authorized capital.

Procedure for changes in EXMAR's share capital

EXMAR NV may increase or decrease its share capital by decision of the extraordinary general meeting of shareholders in accordance with the BCCA. There are no conditions imposed by the articles of association that are more stringent than those required by law.

Purchase of own shares

The Extraordinary General Meeting of Shareholders of 11 September 2020 decided to authorize the Board of Directors to acquire maximum 20% of the existing shares or profit-sharing certificates for a period of five years from the date of publication of this decision in the Annexes to the Belgian Official Gazette, at a price per share which shall not exceed the maximum price per share acceptable under applicable legislation and shall not be less than 0.01 euro.

The number of treasury shares as at 31 December 2021 amounted to 3.82%, which represents 2,273,263 shares.

Transfer of shares and shareholders' arrangements

The articles of association impose no restrictions on the transfer of shares.

Defensive mechanisms

On 11 September 2020 the Extraordinary General Meeting of Shareholders authorised the Board of Directors, subject to the applicable legislation and to prevent an imminent grave disadvantage to the Company, including a public takeover bid on the Company's securities, to acquire and sell the Company's shares or profit-sharing certificates for a period of three years from the date of publication of the decision made by the Extraordinary General Meeting of Shareholders on 11 September 2020 in the Annexes to the Belgian Official Gazette.

Moreover, the Board of Directors was also authorised to increase the Company's capital within the limits of the authorised capital in the event of a notification from the Financial Services and Markets Authority (FSMA) concerning a public takeover bid on the Company's securities.

Anti-takeover provisions in EXMAR's articles of association

EXMAR NV's articles of association currently do not contain any anti-takeover provisions.

Anti-takeover provisions under Belgian law

Under Belgian law, public takeover bids for all outstanding voting securities of the issuer are subject to the supervision of the FSMA. If the latter determines that a takeover violates Belgian law, it may lead to suspension of the exercise of the rights attached to any shares that were acquired in connection with the envisaged takeover. Pursuant to the Belgian Law of 1 April 2007 on public takeovers, a mandatory takeover bid must be made when, as a result of its own acquisition or the acquisition by persons acting in concert with it, a person owns, directly or indirectly, more than 30% of the securities with voting rights in a company with registered office in Belgium whose securities are admitted to trading on a regulated or recognized market. The acquirer must offer to all other shareholders the opportunity to sell their shares at the higher of (i) the highest price offered by the acquirer for shares of the issuer during the 12 months preceding the announcement of the bid or (ii) the weighted average price of the shares on the most liquid market of the last 30 calendar days prior to the date on which it became mandatory for the acquirer to launch a mandatory takeover bid for the shares of all other shareholders.

Control mechanism of any employee share scheme where the control rights are not exercised directly by the employees

There is no employee share scheme with such a mechanism.

Shareholders' agreements

The Company has no knowledge of any agreements made between shareholders.

EXMAR shares and shareholders

Shareholding as per 31 December 2021:
SAVEREX: 43.79%
EXMAR: 3.82%
Cobas Asset Management S.G.I.I.C. SA: 5.002%
FREEFLOAT: 47.388%

The EXMAR share is listed on Euronext BRUSSELS and is part of the Bel Small index (Euronext: EXM).

During the course of 2021 and until the date of this report no notifications in the context of the Transparency Act of 2 May 2007 were received.

The latest notifications received by the Company as notified to the FSMA are as follows:

- On 18 July 2019 EXMAR NV announced that Cobas Asset Management S.G.I.I.C. S.A. crossed a downward threshold (from 5.02% to 4.98%).
- On 8 August 2019 EXMAR NV announced that Cobas Asset Management S.G.I.I.C. S.A. crossed a threshold of 5% due to an acquisition of shares.
- On 30 October 2019 EXMAR NV announced that SAVEREX NV disclosed that due to the sale of 500,000 voting rights the threshold of 50% was crossed.

In accordance with Section 74§6 of the law on public takeover bids of 1 April 2007, SAVEREX NV notified the FSMA on 15 October 2007, updated on 26 August 2021, that it holds more than 30% of the securities with voting rights in EXMAR NV, a listed company.

The statutory information is published on the website (www.exmar.be).

Articles of association, General Meetings, participation, and exercising of voting rights

The Annual General Meeting of Shareholders takes place on the third Tuesday of May at 14h30.

The rules governing the convening, the participation, the conducting of the meeting, the exercising of the voting rights, amendments to the articles of association, nomination of the members of the Board of Directors and its committees can be found in the articles of association and the Charter of the Company, both of which are available on the Company's website under investor relations. http://exmar.be/en/investors/reports-and-downloads/articles-association

Important Agreements that contain change of control provisions

Following important agreements in force in 2021 contain change of control provisions:

Loan Agreement between Export LNG Limited as Borrower and EXMAR NV as Guarantor, the banks and financial institutions listed in Schedule 1 as Lenders, Bank of China Limited as Arranger, Facility Agent and Security Agent (the “Loan Agreement”) dd 29 June 2017, as amended from time to time	The clause provides that EXMAR NV shall not, without the prior consent of the Facility Agent, cease to be controlled (in the sense of Belgian law) by SAVEREX NV. In case of breach the Facility Agent cancel the Total Commitments, declare that all or part of the loan, together with accrued interest, and all other amounts accrued or outstanding under the finance documents be immediately due and payable, and/or declare that all or part of the loan be payable on demand, and take any action it is entitled to take under any finance document or any applicable law or regulation.
Ten Bareboat Charter Agreements entered into by EXMAR Small-Scale LPG Hong Kong Limited as charterer, whose obligations are guaranteed by EXMAR NV under a charter guarantee of even date as the bareboat charter agreements, five of which are dated 23 October 2018 in respect of the fully-pressurized LPG carriers FATIME, ANNE, DEBBIE, SABRINA and HELANE, one of which is dated 22 November 2018 in respect of MAGDALENA and four of which are dated 4 April 2019, in respect of JOAN, ELISABETH, ANGELA and MARIANNE.	The clause, which is identical in each of the ten agreements, provides that the owner may terminate the chartering of the ship and that the charterer will pay to the owner the unpaid rental, costs and moneys due and payable, the amount of any losses excluding loss of profit, that are unpaid and the stipulated loss value, (a) in case SAVEREX NV ceases to hold at least 33.3% of the voting rights in, or share capital of, EXMAR NV or otherwise ceases to have control over EXMAR’s board; or (b) other than in respect of SAVEREX NV, if any person or group of persons acting in concert, obtains at least 33.3% of the voting rights in, or share capital of EXMAR NV or otherwise obtains control over EXMAR’s board.
Bond Terms between EXMAR Netherlands BV, as issuer of the bonds, EXMAR NV as guarantor and Nordic Trustee ASA as Bond Trustee for the bondholders, dd 27 May 2019	The clause provides that in case any person or group of persons under the same decisive influence, or two persons acting in concert (other than SAVEREX NV or any indirectly or directly owned subsidiary of SAVEREX NV) obtains decisive influence over EXMAR NV, or a de-listing of EXMAR NV’s shares from NYSE Euronext Brussels or any other recognised stock exchange occurs, each bondholder will have the right to require that the issuer purchases all or some of the bonds held by that bondholder at a price equal to 101 percent of the nominal amount plus accrued interest on the redeemed bonds.
Aircraft Loan Agreement between EXMAR Marine NV als borrower and GEFA BANK GmbH as Lender dd. 28 januari 2020, amended on 26 February 2021 and 26 May 2021, guaranteed by EXMAR NV	The clause provides that the Lender is entitled to terminate the loan agreement, declare the outstanding repayments and other amounts due and payable, if any, and interests, immediately payable and/or to enforce the security given under the loan, in case of a change of control in the shareholding of EXMAR NV without the Lender’s prior written approval.

Revolving Credit Facility Agreement, dd 29 May 2020, amended and restated on 1 February 2022, between EXMAR NV and EXMAR Marine NV, as Borrower and Guarantor, and KBC BANK NV as Coordinator, Mandated Lead Arranger, Lender, Agent and Security Agent, Belfius Bank SA/NV and BNP Paribas Fortis SA/NV as Mandated Lead Arrangers and Lenders as lenders.	The clause provides that when The Company notifies the Agent that Nicolas Saverys or his heirs or any funds controlled by Nicolas Saverys or his heirs cease directly or indirectly to control EXMAR NV, or any person or group of persons acting in concert gains direct or indirect control of EXMAR NV, a Lender shall not be obliged to fund a Utilisation (except for a Rollover Loan), or if a Lender so requires, the Agent shall cancel the commitment of that Lender and declare the participation of that Lender in all outstanding utilisations and all ancillary outstandings owing to that Lender, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable.
Term Facility Agreement dd. 10 November 2021 between EXMAR Netherlands B.V. as borrower, EXMAR NV as parent, Sequoia Investment Management Company Limited as arranger, Sequoia IDF Asset Holdings S.A. as original lender and U.S. Bank Global Corporate Trust Limited as agent	The clause provides that when any person or group of persons under the same decisive influence, or two or more persons acting in concert, not including SAVEREX NV or any entity under the decisive influence of Nicolas Saverys or his family up to the second degree, obtains decisive influence over the borrower; or a de-listing of EXMAR NV's shares from Euronext Brussels (or any other recognized stock exchange), a Lender shall not be obliged to fund a Utilisation and if a Lender so requires, the Agent shall cancel the available commitment of that Lender and declare the participation of that Lender in all loans, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents, immediately due and payable.

DIVERSITY POLICY OF EXMAR

In accordance with provisions of the Code 2020 and the BCCA EXMAR ensures that each employee is selected on the basis of, among other things, competencies, talents and skills. Overall it is believed that the diversity of employees (including age, gender, cultural background and professional experience) is added value for an international company.

During 2021, EXMAR complied with the Law of 28 July 2011 with respect to gender diversification in the Board of Directors, and in accordance with article 7:106 of the BCCA.

Also EXMAR's Board of Directors reflects diversity in its composition: directors differ not only in terms of their background, education, age and gender, but also in their independence, experience and professional expertise.

Such diversity will ensure a range of perspectives, insights and the critical thinking that are essential to enable efficient decision-making and good governance.

The Nomination and Remuneration Committee reviews and assesses the composition of the Board of Directors and Executive Committee and advises the Board of Directors on the (re-)appointment of new Board members and appointment of members of the Executive Committee. The Nomination and Remuneration Committee considers candidates on merit, without losing sight of the need for diversity including criteria such as background, education, age, gender, independence, professional skills, professional and personal experience.

SUPERVISION

External audit

By decision of the Annual General Meeting of Shareholders of 19 May 2020, Deloitte Belgium was reappointed as Statutory Auditor of the Company for a period of three years, represented by Mr. Rik Neckebroeck and Mr. Ben Vandeweyer.

The auditor conducts the external audit of both the consolidated and statutory figures of EXMAR.

The Audit Committee in its meeting of 1 September 2017 proposed to the Board of Directors, and the Board agreed, to no longer review the half-year results, in line with other listed companies' policies. The auditor however was requested to review the updated version of the interim condensed consolidated financial statements to ensure consistency with the adjustments proposed by the Commitee, if any.

Internal audit

EY has been appointed to assist the Company in the conducting of its internal audit activities. The internal auditor was reappointed for a term of three years until 31 December 2024.

Compliance Officer

The Board of Directors appointed FINMORE BV represented by Christine Verhaert as Compliance Officer of EXMAR, upon recommendation of the Audit and Risk Committee, with effect from 1 July 2021.

The Compliance Officer is responsible for the implementation and the supervision of compliance with the Company's Dealing Code and the tasks described in the Company's Compliance Model.

The Company's compliance policies confirm EXMAR's commitment to comply with applicable laws and rules. To this end, trainings are given to the EXMAR employees.

RULES, POLICIES AND PROCEDURES

Conflicts of Interest

Each member of the Board of Directors and of the Executive Committee is encouraged to organize his or her mandate as efficiently as possible and personal and business interests in such a way that there is no direct or indirect conflict of interest with the Company.

Transactions, if any, between EXMAR or an affiliated company and a member of the Board will take place at arm's length. The same applies for transactions between the Company or an Affiliate and a person closely related to a member of the Board and the Executive Company.

The provisions of the BCCA and the Corporate Governance Charter will apply in the event of a conflict of interest.

EXMAR has no knowledge of any potential conflicts of interest among the members of the Board of Directors and the members of the Executive Committee in the meaning of articles 7:96 or 7:115 BCCA, except those described in the Annual Report of the Board of Directors to the Shareholders, if any.

Related Party Transactions

Currently SAVERBEL NV and SAVEREX NV, companies controlled by Mr. Nicolas Saverys, provide administrative services and Saverex NV consultancy services to the EXMAR Group. These services are invoiced and are at arm's length conditions.

A policy has been prepared and adopted by the Board of Directors of EXMAR on 9 September 2021 in accordance with article 7:97, §1 of the BCCA in order to set forth the procedures applicable to the assessment by the Company of ordinary course related-party transactions and decisions.

Certain transactions or decisions of the Company and its subsidiaries that are Board competences and "concern" related parties within the meaning of the international accounting standard (IAS) 24 must be subject to the prior review of a committee of at least three independent directors, which must then issue a non-binding opinion on such transaction or decision to the Board. The Committee may, but must not, be assisted by one or more independent experts (financial, legal, technical, etc.). The Company's statutory auditor must be informed before the Board meeting in order to issue an opinion on the financial and accounting data used. The Board subsequently deliberates on the proposed transaction or decision.

Code of Business Ethics

The Code of Business Ethics is a part of the Corporate Governance Charter. Integrity and ethics have always characterized EXMAR's way of conducting business. Operating with a strong sense of integrity is critical to maintaining trust and credibility with our customers, partners, employees, shareholders and other stakeholders. Our Code of Business Ethics contains rules regarding individual and peer responsibilities, as well as responsibilities to our employees, customers, shareholders and other stakeholders.

Political contributions

EXMAR did not make contributions or payments or otherwise give any endorsement, directly or indirectly, to political parties or committees or to individual politicians.

The employees of EXMAR may not make any political contribution on behalf of EXMAR or through the use of corporate funds or resources.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS – ASSESSMENT

Main characteristics of internal control and risk management systems

Internal control can be defined as a system developed and implemented by management, which contributes to managing the activities of the Company, its efficient functioning and the efficient use of its resources, appropriate to the objectives, the size and the complexity of its activities.

Risk management can be defined as a structured, consistent and continuous process aimed at identifying, assessing, deciding on responses to and reporting on the opportunities and threats that may affect the achievement of the Company's objectives.

Risks, as described in more detail in the 'Risk Factors' section below, are all compiled in the risk register and include the key strategic, operational and financial risks to the Company. The Board of Directors, Audit and Risk Committee, Executive Committee and all employees with managerial responsibilities are responsible to control the risks. The Executive Committee is responsible for the day-to-day management and policies of EXMAR and the EXMAR group. The Executive Committee meets on a regular basis. The CEO is the chairman of the Executive Committee.

The Executive Committee develops, maintains and ongoingly improves (with the support of external advisers) adequate internal control and risk management procedures (i) to offer a reasonable assurance concerning the realization of goals, the reliability of the financial information and the observance of applicable laws and regulations and (ii) to enable the execution of internal control and risk management procedures.

The quality of the internal control and risk management is assessed during the course of the financial year and by the execution of internal audits for the identified potential risks. The conclusions are shared and validated with the Audit and Risk Committee.

EXMAR has established an internal audit function for the purpose of reviewing and analyzing strategic, operational and financial risks, to conduct specific assignments in accordance with the annual internal audit plan and to report and discuss the findings with the Audit and Risk Committee. The scope of internal audit is both on operations and on internal control over financial reporting. The internal audit function is outsourced to a qualified service provider (EY). The EY Internal Audit Manager reports both to the CFO and to the Audit and Risk Committee.

A. Strategic risks

Description of risk	Potential impact	Limiting factors and control
MARKET RISKS		
The overall oil and gas markets and the interlinked worldwide transportation market for these markets are cyclical and volatile.	A decline in global oil and gas output could impact the freight rates for transportation of gas and would affect our income and cash flows, thereby affecting the value of our fleet and our financial position.	Diversified client base and a significant coverage with a mix of long-term and short-term charters. The value of our fleet is continuously monitored and assessed by using internal and external information. Our position as long-term operator helps to mitigate sudden changes in freight rates or product market output.
Lower demand for gas carriers, as well as other floating assets.	A lower demand could ceteris paribus impact the freight rates and the number of off-hire days of our fleet. This would impact our business and cash flows as well as the value of our fleet and our financial position.	A significant part of our fleet is secured on long-term charters. Geographical diversification and a qualitative client portfolio and network through integration in the markets thanks to years of experience. We are a flexible shipping Company aiming for structural quality and durability for our clients. With gas recognized as global intermediary fuel towards 2050, there will be continued LPG products generated, hence, safeguarding the supply of the relevant products we carry. Some of our MGCs are on leases with the flexibility of purchase options throughout the contract: if market conditions would fundamentally change, we can simply not rebuy the vessel.
POLITICAL ENVIRONMENT IN FOREIGN COUNTRIES		
Deterioration of the economic, legal and political circumstances in countries, including political, civil and military conflicts. Such changes can from time to time result in attacks on ships, disruption of waterways, piracy, terrorism and other activities.	Changes to economic, legal and or political circumstances could affect the trading patterns of LPG and LNG and could affect our fleet and infrastructure assets, our result of operations and our ability to obtain financing. Instability could result in a reduced demand for our services. It could also expose us to increased, additional or unexpected expenses to comply with changed laws and regulations and could affect our insurance expense or policy.	Continuous assessment and monitoring of economic, political and legal circumstances in order to anticipate, limit or avoid any possible impact. Gathering information from authoritative and or industry organisations as well as from specialised consultants. Our insurance policy is regularly updated and includes among others protection and indemnity, hull and machinery and loss of income at insured values deemed to be appropriate to cover anticipated losses. Use of adequate charter contracts with industry charters (e.g. BIMCO) already to a large impact mitigate this risk. Many of our clients are oil/gas companies with strong balance sheets and strong corporate governance which reduce political risk and possible defaults on charter payments.

Description of risk	Potential impact	Limiting factors and control
COMPETITION		
Competitors investing in LPG carriers, FSRUs or other floating assets through consolidation, acquisitions of second-hand or newbuildings.	The process of obtaining a charter is highly competitive. Increased competition may cause greater price competition for time charter rates and might impact the price of vessels or other floating assets. This could have a material effect on our results and cash flows and the value of our fleet and our financial position.	Defining a strategy with a long-term vision and consistent management of ongoing trends in the industry. Experience of our management/chartering team and our Board of Directors. Investing in a variety of factors such as the quality of our operations, technical abilities and reputation, quality and experience of our crew and relationships within the industry. Long-term standing in the market with strong clientele often extending period charters thanks to our experience and in-house shipmanagement. Price is often determined by market forces so that experience and quality of services offered are key.
CAPITAL ALLOCATION		
Inefficient capital allocation and long-term vision and strategy, thereby reducing shareholders' value.	Inefficient investment decisions and/or an inappropriate long-term investment strategy will have a direct negative impact on the group's financial resources (obtaining financing, covenant compliance) and overall performance (revenues, EBITDA and impairment).	EXMAR's management and Board of Directors closely monitors this risk and regularly challenges its long-term strategy in view of market and business evolutions. Risk is spread over different markets, divisions and clients with different risk profiles.

B. Operational risks

Description of risk	Potential impact	Limiting factors and control
RISKS ENTAILED IN THE OPERATION OF VESSELS AND OTHER FLOATING ASSETS		
Environmental accidents, epidemic diseases, work interruptions caused by mechanical defects, human error, war, terrorism, political actions in various countries, strikes and bad weather. Vessels not meeting certain performance standards.	Any such event would harm our reputation as reliable shipping company and would result in increased costs and an increase of the number of off-hire days. The cost of urgent repairs are more unpredictable and can be very high. In case performance standards are not met the charterer could withhold a portion of the hire.	Our experience within the industry and our policies and procedures such as our maintenance, HSEQ and training program should limit or avoid certain risks inherent in our business. All our vessels and assets are covered by adequate insurance. Demands of HSEQ and risk reporting are further scrutinized by our vessels in partnership (e.g. Seapeak).
INCREASED OPERATING EXPENSES		
Operating expenses and maintenance expenses represent a substantial part of our cost.	Operating expenses and drydock capital expenditures depend on a variety of factors which are outside our control and affect the entire shipping industry. Drydocking of vessels can also result in loss of income.	Proactive in-house shipmanagement and a continuous internal and external inspection of our assets. Our maintenance policy is updated and improved on a day-to-day basis with the objective to maintain the highest quality levels.

Description of risk	Potential impact	Limiting factors and control
FLEET AGE PROFILE		
As a ship ages class requirements become more stringent and compared to new modern ships the vessel will be less competitive and more expensive to operate. Age restriction can limit deployment opportunities of vessels in certain ports.	We must make substantial capital expenditure to maintain the operational capacity of our fleet. These expenditures could vary significantly and can increase as a result of customer requirements, competitive standards and regulations or organizations standards.	The average age of our fleet is monitored and our strategy includes regular investments in new vessels to keep our fleet competitive. Our in-house ship manager and commercial team have many years of experience to assess the operational and commercial performance. All our vessels are certified as "in class" by a classification society which is also a requirement for insurance coverage. Inspections of our fleet are carried out on a day-to-day basis at sea or in port. Based on these inspections the continued maintenance plan of each vessel is created, updated and implemented. Especially in gas markets, safety and reliable operations are key so that requirements by our clients (oil/gas companies) require us to offer vessels in top condition. Risk of age restriction in ports is mitigated by strong charter party terms and impose charterer deployment restrictions. Often, aged shipping units are cheaper in terms of freights and deployed in niche markets with less stringent age limitations.
ASSETS UNDER CONSTRUCTION		
Specific risks apply to our assets under construction and include the solvency of our contractor as well as the timely delivery of the asset in accordance with all specifications and securing all required permits.	Failure by the shipyard to construct or deliver our assets under construction or bankruptcy by the shipyard would have a substantial impact on our financial position and our results. In the event the shipyard does not perform and we are not able to enforce the refund guarantee we might lose all or part of our investment. Additionally we might fail to comply with our obligations towards the charterer.	Advance payments are made to the shipyards and these payments are secured by refund guarantees and thus backed by strong banks. Progress of the construction and compliance with all technical and regulatory specifications is closely monitored by our technical/ supervision teams on site at the shipyards. Charter contracts linked to newbuilding investments are often made back-to-back, meaning that the risk of late delivery of vessel is covered for by e.g. suitable lay-can provisions.
EMPLOYMENT		
Vessels or other floating assets remain off-hire for a substantial period or charters are not renewed or terminated early.	In case we cannot enter into profitable long-term charters for our existing fleet or our assets under construction our result, cash flows and financial position might be substantially affected. We would be subject to a short-term or spot market or charters based on changing market prices. In addition it might be more difficult to obtain financing for such assets at reasonable terms. In absence of long term employment of our main assets, our EBITDA and covenants might be substantially affected.	Our management team and our commercial team have many years of experience and have an extensive network in the market. Our charter portfolio is very diversified. The commercial strategy is to remain flexible in the market by having a good balance between long-term and short-term charters. A sizable fleet in especially midsize (MGC LPG carriers) has been able to mitigate this risk almost in full. For the Infrastructure fleet, proper termination clauses are negotiated and included in long-term charter agreements so that in case of early termination, the legal and commercial teams have sufficient time to find a new charterer at decent rates.

Description of risk	Potential impact	Limiting factors and control
REGULATIONS		
New regulation could come into force, including the risk of a reversal of existing favorable tax regimes (such as the Belgian tonnage tax regime). Environmental law changes, including the imposition of other forms of taxation such as carbon tax, can also be implemented by public or other authorities.	Regulatory changes could impact our ability to charter our vessels or floating assets and might increase expenditure to be made to comply with all requirements and legislation. Compliance with changes in laws, regulations and obligations relating to climate change could increase our costs related to operating and maintaining our vessels and require us to install new emission controls, acquire allowances or pay taxes. Revenue generation and strategic growth opportunities may also be adversely affected.	Continuous monitoring and anticipation of changes in legislation and applicable requirements. Our in-house ship manager and our management team have many years of experience and an extensive network within the industry to monitor ongoing trends and changes. Often, regulations have long lead times for implementation offering us ample time to anticipate on these things. A global legal changed framework often affects the entire market fleet, so that owners are confronted with same changes. Many of the changes also are the responsibility of the charterer given that mostly in industrial markets period/time charter contracts are used which mean that charterers are responsible for the voyage/fuel/port costs.
CLIMATE CHANGE		
Climate change may adversely impact our operations and markets.	Adverse effects of climate change, including growing public concern about the environmental impact of climate change, may affect the value of our fleet, demand for our services and/or the public interest for our shares. In addition, the effects of climate change, including changes in weather patterns, extreme weather events, rising sea levels, scarcity of water resources, may negatively impact our cost structure, our operations or operations of service providers upon whom we depend, such as ports infrastructures. Any long-term material adverse effect on the industry could have a significant financial and operational adverse impact on our business that we cannot predict with certainty at this time.	Our legal, commercial and technical teams are monitoring climate change regulations and related applicable requirements and potential impacts on our fleet and overall business. Management has many years of experience and an extensive network within the industry to monitor ongoing changes.
INFORMATION TECHNOLOGY SYSTEMS		
Information technology systems change rapidly and are fundamental for the day-to-day operations.	The failure of key information technology systems or processes could adversely affect the operations or lead to data breaches. Cyber-attacks, ransomware or other security breaches could make information technology systems unavailable, interrupt our vessel operations and result in a loss of hire.	A dedicated IT team monitors continuously the information technology changes and exposures. Several measures such as firewalls, anti-virus software and separated networks etc. are in place. An information technology risk assessment is performed on a regular basis. Policies and procedures are in place and include a disaster recovery plan, an incident response plan and a business continuity plan.

Description of risk	Potential impact	Limiting factors and control
RAPID TECHNOLOGICAL INNOVATION IN VESSEL DESIGN AND EQUIPMENT		
Specific risks apply to our assets that designs/ equipment become obsolete because of technical/ technological progress and innovation.	Assets become obsolete or uncompetitive in view with market practice and evolving standards.	EXMAR has a strong position as innovator and has always managed to advance new designs/ size of ships to the market, and being regarded as pioneer in both shipping activities and floating solutions. Roots from shipbuilding, strong technical expertise and a separate technical desk and lots of engineers staffed (Houston, Paris, and Antwerp) to make/improve asset designs ascertain that we can continue to be the best/first in class. Mounting focus on ESG will only reinforce our drive towards innovation and apply high standards taking account of future changes in energy markets.
OUTBREAK OF PANDEMIC DISEASE		
Our seafarers as well as the supplies are crucial for our operations, an outbreak of a pandemic virus (such as the recent COVID-19 pandemic) or contagious disease can complicate operations.	An outbreak of a pandemic virus in any region or on a global scale would impact our operations. Local or international measures such as but not limited to travel bans, limited or no port access or quarantine measures following such outbreak, could complicate supplies for our floating assets and complicate embarking or even suspend the possibility for seafarer to embark. Such events could result in the asset to be off-hire and a loss of income for the asset or part of our fleet.	Specific and strict policies and procedures are in place for an isolated outbreak on board of an asset and our people are specifically trained on how to deal with such event. Events and risks are continuously monitored by our operational teams who also participate in local and international associations and industry organizations to align with changes in requirements, ongoing guidelines and measures. Our operations are very diversified and our assets are deployed on a global scale, our seafarer are also sourced globally and neither dependent on one nationality or a specific region. Planning of our seafarer is flexible and contracts can be extended if needed in case replacement is not immediately possible or available. A business continuity plan is available to respond to such event and the measures foresee the possibility to have all our shore based teams working remotely or even isolated. In case operations need to be stopped, some of our commercial agreements include clauses covering force majeure and in case of an off-hire event exceeding a specific number of days, our insurance policies cover temporary the loss of income.

C. Financial risks

Description of risk	Potential impact	Limiting factors and control
COUNTERPARTY RISKS		
Dependency on a limited number of clients, we receive a considerable part of our income from a limited number of clients.	Deterioration of the financial viability of one of our significant clients would lead to a significant loss of income and cash flows.	Obligations of clients under long-term charters can be secured by guarantees or other securities. Most of our significant clients have been client of EXMAR for many years, our management team has the necessary experience and knows how to assess the operations and financial viability of our clients. Furthermore, for the Infrastructure fleet, proper termination clauses are negotiated and included in long-term charter agreements so that in case of early termination, the legal and commercial teams have sufficient time to find a new charterer at decent rates.
Charterers can be in default or can become bankrupt.	In case of the loss of a client our income and cash flows would be impacted. The costs of having to charter out the vessel can be high and the market conditions can be unfavorable.	Our customer base is diversified and consists of major companies active in the oil and gas market. Extensive credit checks are performed for new clients and additional securities or guarantees are requested if deemed necessary. Charter hire is in most cases payable in advance as period contracts are the most used employment contract.
Dependence on third party service providers.	The third-party service providers the Company has selected may not provide a standard of service comparable to that of the Company if it would directly provide such service. The Company relies on its third-party service providers to comply with applicable law, and a failure by such providers to comply with such laws may subject the Company to liability or damage its reputation and could have a material adverse effect on the Company's reputation and business.	EXMAR currently outsources to third party service providers certain management services of its fleet as well as its internal audit function. Contractual agreements between all parties involved exist. The contractual agreements are included in the contract management system and monitored on a periodic basis. On a periodic basis, detailed supplier evaluations (including third party service providers) are performed.
Risks related to the joint ventures and associated companies may adversely affect the Company's operations, business and results of operations.	Views from the other partner(s) may not be in line with EXMAR's views, as a result of which specific treatment of the risks may be limited or even prevented. The different approaches to these risks may lead to consequences other than those which EXMAR would have incurred or would have wished to incur, which may adversely affect EXMAR's operations, business and results of operations. Non-alignment on operational, financial or commercial issues could affect long term cooperation with our joint venture and associate partners.	EXMAR provides general, accounting, corporate, site supervision and shipmanagement services to its joint ventures and associated companies. For these services, fees are charged based on contractual agreements between all parties involved. In addition, EXMAR has a long lasting relationship with its main joint venture partner, Seepeak (former Teekay LNG Partners).

Description of risk	Potential impact	Limiting factors and control
FINANCING		
EXMAR is subject to restrictions on credit agreements, such as financial covenants and restrictions for EXMAR and its subsidiaries to take on further debts, distribute dividends, undertake certain investments, and sell part of its business without the consent of its lenders.	The existing financing arrangements for our fleet are secured by the vessels and parent company guarantees and contain restrictions and other covenants that may restrict our business and financing activities. Any default could result in the acceleration of the maturity date and lenders could call on the guarantees of these facilities.	Our cash flows and our financial position, including the requirements under the financing agreements, are continuously monitored. Our financing strategy aims for a diversification of financing resources and a spread of maturity dates. A dialogue is maintained with different investors and financial partners in order to build a long-term relationship. On 31 December 2021, all applicable financial covenants under the financing arrangements are complied with.
Financing to be obtained for assets under construction, operational assets and existing financing arrangements to be refinanced at maturity date.	Impossibility to finance or refinance our assets under construction and our existing fleet would have a substantial impact on our financial position. The financing possibilities and the cost of financing can be volatile and dependent on the overall economic circumstances.	Financing is inherent in our activities and investments. Our management team has numerous contacts and support of different financing partners and has many years of experience in obtaining financing for a variety of activities and investments. In shipping, there are often different candidates (e.g. in Japan) willing to offer lease/bareboat schemes.
INTEREST AND EXCHANGE RATES		
A significant portion of our financing arrangements has a variable interest rate. The majority of our operations are in USD but certain operating costs are expressed in different currencies (primarily in EUR) and a portion of our financial debt is in NOK.	An increase of the interest rates on the international financial markets would negatively impact our results and cash flows and could negatively impact the fair value of financial instruments used to hedge the interest rate exposure. A weakening of the USD compared to the EUR would negatively influence our results. Additional cash guarantees might be required.	The interest rate exposure and the foreign currency exposure are actively managed and various instruments will be used to cover an appropriate part of the exposure (e.g. IRS contracts). Fluctuations in the fair value of hedging instruments represent a non-realized non-cash item.
IMPAIRMENT		
Negative variations in the fair market value of our fleet and other floating assets.	A significant decline in the fair value of our fleet could lead to an impairment loss to be recognized and would have a significant impact on our financial position and result. The ratio of the fair value of our fleet compared to the outstanding debt is a financial covenant in our financing arrangements. Our activities tend to be cyclical resulting in changes in the overall fair value of the fleet on the short-term. A significant decline could trigger an event of default under such arrangements.	The value of our fleet is continuously monitored using internal and external information and at least on each reporting date our fleet is tested for impairment. Testing is done by comparing the carrying amount of our fleet to appraisals of independent shipping brokers and to the net present value of the expected operating cash flows. The operating cash flows are based on internal information and a sensitivity analysis is performed on each assumption. Based on the testing performed as of 31 December 2021 it is concluded that the amount after impairment of our fleet is recoverable and that all financial covenants under our financing arrangements are complied with. Previously recorded impairments on the older vessels and the aircraft were partially reversed during 2021 upon their sale and/or classification as held for sale.

Description of risk	Potential impact	Limiting factors and control
LIQUIDITY RISK		
Financial obligations and working capital requirements can vary depending upon a number of factors.	Our cash generating activities can be cyclical/ volatile and dependent upon market circumstances while our outgoing cash flows can relate to operating, investing or financing activities. Any failure to meet our financial obligations could have material consequences for our operations and could trigger events of default under certain arrangements.	Liquidity is managed on a continuous basis to ensure that sufficient funds are available to meet our financial obligations when due under normal and stressed conditions. Based on our known contractual rights and obligations and using estimates or assumptions if needed, a monthly cash flow forecast is prepared and monitored per segment and for at least the subsequent 12 months. Our sources of operating income as well as our sources of financing are diversified. Payments relating to investing activities and our maturities of bank and other loans are also spread over different years.

REMUNERATION REPORT 2021

1. General

The Remuneration Report describes the application of the principles applied by EXMAR for the remuneration of its directors and executive managers. It has been drafted in compliance with the provisions of the legislation adopted by the Belgian Parliament on 28 April 2020 and published on 6 May 2020 for the implementation of the Second Shareholders' Rights Directive (**SRDII**), the Belgian Code of Companies and Associations (**BCCA**) and the Belgian Corporate Governance Code 2020 (**Code 2020**).

2. Description of the procedures to develop the remuneration policy as well as to determine the remuneration of individual directors and members of the Executive Committee

The remuneration policy is adopted by the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, whose role and responsibilities are described in the Corporate Governance Charter adopted by EXMAR. The policy, aligned to the new dispositions of the SRDII, BCCA and Code 2020, was approved by the Annual General Meeting of Shareholders of 18 May 2021.

EXMAR strives for remuneration which will attract, motivate, reward and retain the qualified professionals for the Board of Directors and the Executive Committee needed to obtain the Company's operational and strategic objectives and to promote long-term sustainable value creation.

EXMAR attempts to ensure that the members of the Board of Directors and of the Executive Committee do not act in their own interests, and/or do not take risks that do not fit in with the Company's strategy and risk profile.

3. Remuneration for non-executive directors

The remuneration of the non-executive directors is decided by the General Meeting of Shareholders on a proposal from the Board of Directors. This proposal is based on the recommendations of the Nomination and Remuneration Committee.

The remuneration of the non-executive directors takes into account their responsibilities, their role as Board member, the workload and specific roles such as chairman of the Board, or chairman or members of Board committees.

All non-executive directors receive an annual fixed fee of EUR 50.000. No attendance fees are being paid. Members of the Audit and Risk Committee and/or the Nomination and Remuneration Committee receive a supplementary fixed fee of EUR 10.000. The annual payments are pro-rated according to the number of months served as an active board member or member of a committee during the calendar year.

Because of their roles and responsibilities, the annual fixed fee for the chairman of the Board and the chairman of each of the Committees is equal to twice the fee of the other members of the Board or the Committees except for the Nomination and Remuneration Committee. The Company provides customary insurance policies covering the Board of Directors' activities in carrying their duties at group level.

The non-executive directors do not receive performance-based remuneration or any benefits in kind or benefits associated with pension schemes.

In deviation of provision 7.6 of the Code 2020 non-executive directors do not receive part of their remuneration in the form of shares of the Company. EXMAR is of the opinion that granting remuneration in shares (in part or in whole) would not necessarily contribute to enabling the directors to act from the perspective of a long-term shareholder value and risk profile of the Company. The Company will, at regular intervals, reconsider this issue.

Directors are appointed by and the length of their terms is approved by the General Meeting of Shareholders for a maximum of three years. They are not entitled to any notice periods or severance indemnities in relation to the termination of their mandates. They are at all times subject to dismissal by the General Meeting of Shareholders.

4. Remuneration for executive directors

The executive directors of EXMAR who are a member of the Executive Committee are only remunerated in their capacity as executive and not in their capacity as director/member of the Board. This applies also for board memberships of subsidiaries. If executive directors are remunerated for their role in subsidiaries, this remuneration is part of their agreed global package.

5. Overview of the remuneration of the members of the Board of Directors for 2021 (in EUR)

		Fixed Remuneration	Audit and Risk Commitee Remuneration	Nomination and Remuneration Committee Remuneration	Total
Nicolas Saverys	Chairman	100,000			100,000
FMO BV (Francis Mottrie)	CEO	-			0
JALCOS NV (Ludwig Criel) until 1/7/2021	non-executive Director	25,000	10,000	5,000	40,000
ACACIA I BV (Els Verbraecken) as from 09/09/2021	non-executive Director	15,616	3,123	3,123	21,863
Maryam Ayati as from 09/09/2021	non-executive Director	15,616			15,616
Michel Delbaere	non-executive Director	50,000		10,000	60,000
Isabelle Vleurinck	non-executive Director	50,000	10,000	10,000	70,000
Wouter De Geest	non-executive Director	50,000	10,000		60,000
Baron Philippe Vlerick	non-executive Director	50,000	13,164		63,164
Pauline Saverys until 18/05/2021	non-executive Director	18,923			18,923
Stephanie Saverys as from 18/05/2021	non-executive Director	31,077			31,077
Barbara Saverys until 27/07/2021	non-executive Director	28,699			28,699
Carl-Antoine Saverys as from 18/05/2021	executive Director	31,077			31,077
Ariane Saverys until 18/05/2021	non-executive Director	18,923			18,923
Total		**484,931**	**46,288**	**28,123**	**559,342**

6. Remuneration for the members of the Executive Committee and Nicolas Saverys (SAVEREX NV)

In line with EXMAR's total reward principles, the form and level of the Company's executive remuneration are aligned to company performance and individual skills and performance. The remuneration package is composed of three main elements:

- the fixed annual remuneration,
- the short-term variable remuneration (STI – short term incentive)
- the long-term variable remuneration (LTI- long term incentive).

The level and structure of the compensation packages are aligned with market practices for similar functions at comparable companies.

Overview of the remuneration of the CEO and Nicolas Saverys (SAVEREX NV) for 2021 (in EUR)

		Name Company	Fixed Remune-ration	STI	LTI	Pension benefit	Other insurances*	Other benefits**	Total
NICOLAS SAVERYS (SAVEREX NV)									
Nicolas Saverys SAVEREX NV			855,535	-	-	40,169	2,387	8,877	906,968
			94%	0%	0%	4%	0%	1%	100%
CEO									
Francis Mottrie	CEO	FMO BV	575,000	-	-	-	-	-	575,000
			100%	0%	0%	0%	0%	0%	100%

* hospitalisation insurance, travel insurance
** Car, cell phone

Overview of the remuneration of the other members of the Executive Committee for 2021 (in EUR)

		Name Company	Fixed Remune-ration	STI	LTI	Pension benefit	Other insurances*	Other benefits**	Total
OTHER MEMBERS OF THE EXECUTIVE COMMITTEE									
Patrick De Brabandere	CFO until 30/06/2021	Self employed	254,940	-	-	25,953	5,720	8,559	295,172
			86%	0%	0%	9%	2%	3%	100%
Christine Verhaert	CFO as from 01/07/2021	FINMORE BV	210,000	-	-	-	-	-	210,000
			100%	0%	0%	0%	0%	0%	100%
Jens Ismar	Managing Director Shipping	LISANN AS (Norway)	575,040	-	-	-	-	-	575,040
			100%	0%	0%	0%	0%	0%	100%
Jonathan Raes	Managing Director Infrastructure	FLX Consul-tancy BV	275,000	-	-	-	-	-	275,000
			100%	0%	0%	0%	0%	0%	100%

* hospitalisation insurance, travel insurance
** Car, cell phone

Fixed annual remuneration

The fixed annual remuneration includes a fixed annual base remuneration taking into account the responsibilities, skills, experience and performance of the executive manager. Other benefits, such as medical care, health insurance plan, death and disability coverage and other benefits are also provided according with market practices to executives with a self-employed or employee status.

The fixed annual remuneration is reviewed annually and may increase or decrease considering several factors, like change of scope and responsibilities, comparable remuneration in other companies.

The global package for executives with a self-employed status reflects the total cost for the Company, with the executives being responsible for their own tax and social security payments.

Short-term variable remuneration (STI)

The short-term variable remuneration is a non-deferred cash incentive based on the achievement of specific individual performance (for 25%) and company performance targets (for 75%), financial targets (such as REBIT, REBITDA, net income,...) and/or non-financial targets for a reference period of one year. Each of the criteria is developed and calibrated on an annual basis in line with company strategy, budget and targets, with clear performance indicators. Above target performance (100%) results in a short-term variable remuneration. The maximum short-term incentive is capped at 30% of the fixed annual remuneration for the CEO and 25% for the other executive managers. In case of a major environmental issue or in case the net result of the Company is negative, all STI amounts are reduced to zero (gateway to STI). Payment of the STI will be conditional of employment up to the payment date.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors can approve a possible discretionary STI to one or more executive directors or managers in case of extraordinary circumstances or extraordinary performance, over and above the levels mentioned in the previous paragraph.

For 2021, no short-term variable remuneration was awarded.

Long-term variable remuneration

EXMAR works towards creation of sustainable economic value by means of long-term remuneration (LTI). The LTI consists of a deferred cash or share-based compensation based on the achievement of performance targets (as defined below) for the upcoming three years (2021-2023). The long-term incentive target is also expressed as a percentage of the annual fixed remuneration and is reviewed periodically. At target level long-term incentives represent 20% of fixed annual remuneration for the CEO and 15% of fixed annual remuneration for the other executive managers. The cumulative long-term variable incentive over the three-year reference period is capped at 50% of the fixed annual remuneration for the CEO and 40% of fixed annual remuneration for the other executive managers.

The level of the LTI is based on following financial criteria:

- The difference of the Net Asset Value of the Company calculated on 31 December and
- the market capitalization of the Company at the same date, each yearly measurement to be worth 1/3 of the award. The performance between the pre-defined threshold and the target will be measured and awarded on the basis of a linear scale.

The amount vested will be finally paid in cash or in shares (at the average share price of the 30 days preceding the vesting date) at the discretion of the Board on the proposal of the Nomination and Remuneration Committee as of the third anniversary to the beneficiary and will be conditional of employment up to the payment date.

Minimum threshold of shares to be held by the executive managers

In deviation of provision 7.9 of the Code 2020 the Board of Directors does not set an explicit minimum threshold for the holding of EXMAR shares for the members of the Executive Committee. EXMAR believes that, through its current remuneration policy, it establishes a clear link with the long-term strategy and performance of the Company.

Malus and claw-back clauses

The Nomination and Remuneration Committee has considered the feasibility of claw-back and malus conditions in its variable pay plans. Given the uncertainties on the validity and interest of claw-back clauses under Belgian law, EXMAR has currently not introduced claw-back provisions on performance-related payments, except in case of fraud or misconduct. In the event that any variable remuneration would be paid based on incorrect financial data, such miscalculation could be compensated with repayment or off-set from the payment of future variable remuneration.

Contractual arrangements

The members of the Executive Committee and the executive directors have entered into a formal contract with the Company. Such contracts were entered into for an indefinite term, with termination arrangements not exceeding 12 months of fixed remuneration. Members of the Executive Committee bound by a Management Agreement need to finance their pension plan through their management company. Those who were self-employed are enrolled into a defined contribution plan paid by the Company.

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee, and the CFO, Mr. Patrick De Brabandere, agreed in mutual understanding to terminate the collaboration with Mr. De Brabandere with effect from 1 July 2021.

Pay ratio

The ratio between the highest remuneration (CEO) and the lowest remuneration (in full-time equivalent) is a factor 11.93. Lowest paid employee is defined as a full time employee in Belgium and holds the lowest base salary on the year-end. The actual total remuneration is considered in the calculation of the ratio. The ratio between the highest remuneration (CEO) and the average remuneration is a factor 6.44. The average remuneration of the employees takes into account the total actual wages at year end basis full-time equivalent, divided by the number of full-time equivalents at year-end.

The main difference in remuneration policy between the executive management and employees in general, is the balance between fixed and performance-related remuneration such as STI and LTI. Overall, the impact of performance-related remuneration, in particular longer-term incentives, is of more importance for the executive management. This reflects that executive managers have greater freedom to act and the consequences of their decisions are likely to have a broader and more far-reaching time span of effect.

Remuneration and Company performance over five years

	2017	% var.	2018	% var.	2019	% var.	2020	% var.	2021	% var.
Global remuneration board of directors and executive committee										
Global remuneration of the Board of Directors (1) (2) (in thousands of EUR)	580	-9%	580	0%	650	12%	600	-8%	580	-3%
Global remuneration of the CEO (3) (4) (in thousands of EUR)	1,937	87%	2,097	8%	998	-52%	1,876	88%	575	-69%
Global remuneration of the other members of the Executive Committee (4) (in thousands of EUR)	3,409	23%	2,991	-12%	2,493	-17%	1,530	-39%	1,355	-11%
Financial performance of the Company										
Net result for the period (in thousands of USD)	27,952	-31%	-16,070	-157%	-13,202	-18%	91,960	-797%	11,635	-87%
EBITDA for the period (5) (in thousands of USD)	141,393	21%	67,371	-52%	100,915	50%	239,855	138%	113,486	-53%
Adjusted EBITDA for the period (5) (in thousands of USD)	44,693	-52%	36,471	-18%	80,400	120%	77,655	-3%	56,185	28%
EBIT for the period (5) (in thousands of USD)	70,040	0%	22,017	-69%	34,377	56%	137,646	300%	36,975	-73%
Net financial indebtedness/ adjusted EBITDA (5)	11.30	88%	15.32	36%	7.01	-54%	6.28	-10%	8,76	39%
Average remuneration (6) (in thousands of EUR)	96	5%	99	3%	100	1%	98	-2%	89	-8%

(1) including Audit and Risk Committee and Nomination and Remuneration Committee
(2) annualised to allow a meaningful comparison
(3) including the remuneration of the executive chairman and deputy CEO in 2020
(4) excluding share options granted
(5) proportionate consolidation method
(6) total cost to the company, taking into account the actual wages at year-end basis full-time equivalent, divided by the number of full-time equivalents at year-end

Share Options

The members of the Executive Committee benefit from the share option plans as previously approved by the Board of Directors.

On the basis of the recommendations of the Nomination and Remuneration Committee the Board of Directors decided not to award share options for the year 2021.

	MAIN PLAN CHARACTERISTICS						MOVEMENTS OVER 2021			
Plan Name	Offer date	Grant date	Vesting date	End exercise period	Number of options granted	Exercise price (in €)	Number of SOP start of year	Forfeited/ expired	Exercised	Number of SOP end of year
Nicolas Saverys - Executive Chairman										
EXMAR TR8: 3/12/2013 10,54 EUR 2013-2021	03/12/2013	31/01/2014	01/01/2017	02/12/2021	60,000	10.54	60,000	60,000	0	0
EXMAR TR9: 9/12/2014 10,54 EUR 2014-2022	09/12/2014	06/02/2015	01/01/2018	08/12/2022	60,000	10.54	60,000	0	0	60,000
EXMAR TR10: 17/12/2015 9,62 EUR 2015-2023	17/12/2015	15/02/2016	01/01/2019	16/12/2023	60,000	9.62	60,000	0	0	60,000
						TOTAL	**180,000**	**60,000**	**0**	**120,000**
Patrick De Brabandere - CFO until 30/06/2021										
EXMAR TR8: 3/12/2013 10,54 EUR 2013-2021	03/12/2013	31/01/2014	01/01/2017	02/12/2021	40,000	10.54	40,000	40,000	0	0
EXMAR TR9: 9/12/2014 10,54 EUR 2014-2022	09/12/2014	06/02/2015	01/01/2018	08/12/2022	40,000	10.54	40,000	0	0	40,000
EXMAR TR10: 17/12/2015 9,62 EUR 2015-2023	17/12/2015	15/02/2016	01/01/2019	16/12/2023	40,000	9.62	40,000	0	0	40,000
						TOTAL	**120,000**	**40,000**	**0**	**80,000**
Jonathan Raes - Executive Director Infrastructure										
EXMAR TR8: 3/12/2013 10,54 EUR 2013-2021	03/12/2013	31/01/2014	01/01/2017	02/12/2021	2,500	10.54	2,500	2,500	0	0
						TOTAL	**2,500**	**2,500**	**0**	**0**

5 FINANCIAL REPORT

5.1 ANNUAL REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

The Board of Directors hereby submits the combined annual report on the individual and consolidated annual accounts of EXMAR NV (the "Company") dated December 31, 2021 in accordance with articles 3:6 and 3:32 of the Belgian Code of Companies and Associations ("BCCA").

The Company must publish its annual accounts in accordance with the stipulations of the Royal Decree dated November 14, 2007 concerning the obligations of issuers of financial instruments who are entitled to trade on the Belgian regulated market.

Any elements that are applicable to the Company in accordance with the BCCA and the above-mentioned Royal Decree shall be covered in this report and in the Corporate Governance Statement. This annual report should consequently be read in conjunction with EXMAR's 2021 report.

At this time of writing, the escalating conflict in Ukraine is already causing great uncertainty to 2022 not only from a human aspect, but also in terms of the stability of global energy markets. In this context, EXMAR remains committed to play its role in the energy value chain with its floating solutions for the export and import of gas. The potential impact on its activities is being monitored on a daily basis. For completeness, we can confirm that none of our vessels are active in risk areas or under contract with parties subject to international sanctions related to this conflict. Furthermore, utmost effort is done to manage the logistical challenges in a humane way, both on shore and offshore.

COMMENTS ON THE CONSOLIDATED ANNUAL ACCOUNTS

The consolidated annual accounts were prepared in accordance with International Financial Reporting Standards (IFRS).

Below comments are based on the consolidated annual accounts prepared in accordance with IFRS, whereby the joint ventures are accounted for under the equity method.

In 2021, the EXMAR Group achieved a consolidated profit of USD 11.6 million (USD 92.0 million in 2020).

Revenue decreased significantly in 2021, primarily because 2020 included a settlement fee of YPF (USD 149.1 million) on the TANGO FLNG which remained unemployed in 2021 and cancellation fees of USD 13.0 million related to ship management agreements with Excelerate Energy, partially offset by an early termination fee on the cancellation of the FSRU S188 charter agreement by Gunvor in April 2021 and the employment of the two new VLGCs in the 2nd half of 2021.

In general, **operating expenses** decreased as a result of the unemployment of the two LNG barges for the largest part of the year and lower depreciation charges (2020 was impacted by a one-time depreciation charge of YPF contract-related costs), except for the impairment losses as 2021 included an impairment loss of USD 19.0 million on the FSRU S188 following its unemployment.

Net financial result improved thanks to lower interest expenses and the favorable evolution of foreign currency gains due to the weakening of the EUR and NOK versus the USD.

The **share of equity accounted investees** increased from a loss of USD -17.8 million to a profit of USD 21.8 million in 2021: 2020 included an impairment loss of USD 30.5 million on several older vessels, while 2021 included USD 3.2 million impairment reversals following the (planned) sale of three vessels.

Vessels and barges amounted to USD 648.4 million end 2021, an increase of USD 87.0 million, which is the combined effect of the acquisition of the two new VLGCs (total investment of USD 162.8 million of which USD 33.2 million was prepaid in 2020) for USD 129.6 million, capitalized dry dock expenses (USD 5.7 million), partially offset by USD 29.3 million depreciations and USD 19.0 million impairment loss recorded on the FSRU S188.

The **non-current receivables** of USD 24.4 million in 2020 contained the portion of the YPF settlement fee due in 2022.

Investments in equity accounted investees increased by USD 21.4 million up to USD 94.7 million end 2021, primarily as a result of our share in the net result of these joint ventures and associated companies.

The **borrowings to equity accounted investees** (both non-current and current) amounted to USD 32.3 million end 2021 and comprise the shareholder loans to our associated companies and joint ventures. During 2021, EXMAR LPG repaid USD 10.0 million. Per December 31, 2021, USD 15.4 million was presented as short-term of which USD 7.5 million was received early 2022.

Assets held for sale contain the aircraft for which a binding sales offer was received and consequently USD 2.5 million previously recorded impairment losses were reversed.

The decrease in **current trade and other receivables** of USD 52.5 million is a result of the payment of USD 85.3 million settlement fee YPF, partially offset by the reclassification of USD 24.4 million from non-current to current, in accordance with the YPF agreed payment schedule. The total outstanding receivable balance thus amounted to USD 55.2 million end 2021.

The total **cash** position on December 31, 2021 amounted to USD 147.3 million (2020: USD 103.8 million). Restricted cash relates to the credit facility with Bank of China for the TANGO FLNG ("debt service reserve account") and amounted to USD 76.1 million (2020: USD 75.6 million).

Equity amounted to USD 536.5 million end 2021, or a decrease of USD 9.4 million primarily as a result of the payment of USD 20.8 million dividend, partially compensated by USD 11.6 million profit of the year.

End 2021 **borrowings** (non-current and current) amounted to USD 424.8 million (2020: USD 341.6 million). The increase of USD 83.2 million is mainly explained by the new financing of the two VLGCs (USD 144.0 million), partly offset by USD 64.1 million repayments of loans.

Trade and other payables amounted to USD 37.2 million end 2021 and remained stable compared to 2020.

COMMENTS ON THE STATUTORY FINANCIAL STATEMENTS

The statutory accounts were prepared in accordance with Belgian GAAP and accounting principles were consistently applied. These accounts will be presented for approval to the General Meeting of Shareholders on May 17, 2022.

The below comments cover the main items of the statutory annual accounts:

The **operational result** amounted to USD -4.5 million in 2021 (2020: USD -6.6 million).

Financial result improved from USD -77.4 million in 2020 to USD -23.9 million in 2021: 2020 included USD 86.5 million impairment losses on intercompany shareholder's loans. In 2021, an amount of USD 43.1 million additional impairment losses was recorded on such intercompany loans, of which USD 8.7 million via a provision for financial guarantees.

The **statutory result** for the financial year amounts to a loss of USD -28.6 million in 2021, compared to a loss of USD -84.0 million in 2020.

At the end of 2021, the total **assets** amounted to USD 675.1 million (2020: USD 708.1 million), including USD 541.7 million financial fixed assets (2020: USD 608.9 million).

Equity amounted USD 564.2 million at the end of 2021 (2020: USD 598.2 million) and decreased by the loss of the year of USD 28.6 million and the proposed dividend distribution of USD 5.4 million.

The **provisions** increased by USD 9.5 million mainly due to a provision for financial guarantees given to intra-Group companies (USD 8.7 million – see above).

Liabilities amount to USD 101.0 million end 2021 compared to USD 109.6 million in 2020.

At the General Meeting of Shareholders on 17 May 2022, the Board of Directors will propose to distribute a gross dividend of EUR 0.08 per share and to allocate the result of the year as follows:

Profit carried forward:	USD 221,081,116.78
Loss of the financial year:	USD -28,633,986.45
Transfer to reserves:	USD -3,387,143.69
RESULT TO APPROPRIATE:	**USD 189,059,987.64**
Dividend payable:	USD 5,391,176.00
Result to carry forward:	USD 183,668,811.64

RISK FACTORS

As described in the Corporate Governance Statement.

NON-FINANCIAL INFORMATION

As described in chapter 3.1 ESG of the EXMAR 2021 report.

SUPPLEMENTARY INFORMATION

Research and Development

As described in chapter 3.1 ESG of the EXMAR 2021 report.

Employees

On December 31, 2021 EXMAR's global staff comprised 1,849 employees, including 1,615 crew at sea (2020: 2,094, including 1,844 crew at sea).

Many of the crew at sea are employed on assets owned or operated by our equity accounted investees; the corresponding expenses are not included in EXMAR's consolidated personnel or crew expenses but presented as vessel expenses in EXMAR's equity accounted investees.

Acquisition or sale of treasury shares

There were no such transactions in 2021. We refer to the Corporate Governance Statement.

On December 31, 2021 EXMAR owned 2,273,263 own shares, representing 3.82% of the total number of shares issued.

Justification of the Accounting Principles

The accounting principles applied during the closure of the statutory annual accounts do not differ from the accounting principles applied during the previous financial year. A summary of the accounting principles of valuation is attached to the statutory annual accounts. For the consolidated financial statements please refer to the section on valuation principles for the consolidated annual accounts.

Defensive Mechanisms

Described in the Corporate Governance Statement.

Branch offices

EXMAR NV has no branch offices.

Stock Option Plan

So far, the Board of Directors has decided on ten occasions (10 plans) to offer a number of employees of the EXMAR Group options on existing shares.

As of December 31, 2021 only two plans are still open (we also refer to Note 25 Share based payments of the consolidated annual report):

Additional activities carried out by the Statutory Auditor

During the past financial year, the Statutory Auditor or companies or persons related to the Statutory Auditor, have been involved in audit related matters and has provided limited tax services for the Group. The non-audit fees did not exceed the Group audit fees.

Financial instruments

The long-term vision, that is typical of EXMAR's activities, is accompanied by long-term financing and therefore EXMAR's activities are also exposed to floating interest rates. EXMAR actively manages this exposure and if deemed appropriate could cover itself for rising interest rates for a part of its debt portfolio by means of various instruments. The Group's currency risk is historically mainly affected by the EUR/USD ratio for manning its fleet, paying salaries and all other personnel related expenses. As per December 31, 2021, the Company had no financial instruments in place to cover the EUR/USD.

EXMAR Netherlands BV completed an unsecured bond issue of NOK 650 million in 2019. In order to monitor the currency risk, the Group uses a range of foreign currency rate hedging instruments if deemed necessary. As per December 31, 2021, the Company purchased NOK 240.0 million forwards to USD 26.3 million, which resulted in a fair value gain of USD 0.9 million (which is recorded off-balance in the Belgian statutory accounts).

	Plan 9	**Plan 10**
Date of offer:	December 2, 2014	December 4, 2015
Number of outstanding options:	336,100	333,250
Exercise period:	January 1, 2018 until December 2, 2022	January 1, 2019 until December 3, 2023
Exercise price in EUR:	10.54	9.62

Application of article 7:96 of the Belgian Code of Companies and Associations

There were no conflicts of interest at the level of the Board of Directors.

Significant events after balance sheet

We refer to Note 36 Subsequent events of the consolidated annual report.

OUTLOOK

Shipping:

Very Large Gas Carriers (VLGC)

The two newbuild dual-fuel VLGCs, FLANDERS INNOVATION and FLANDERS PIONEER were delivered in June and September 2021 respectively and shortly thereafter their long-term charter with Equinor ASA from Norway started. With the large capacity and the dual fuel LPG engine, these vessels represent the best technology available today with respect to reducing greenhouse gas emissions.

The jointly controlled VLGC BW TOKYO performed well in the course of 2021, mainly covered by a time charter with major LPG trader Trafigura. At the end of the year the vessel joined the BW VLGC pool.

Midsize Gas Carriers (MGC)

During 2021, 33% of EXMAR's Midsize fleet was dedicated to transporting ammonia and 67% to LPG. For 2022 the ammonia share is expected to increase up to 40%.

EXMAR, which has a 50 / 50 joint venture with Seapeak (previously Teekay LNG Partners) for the Midsize fleet, continues to build on its existing loyal customer base with extensions of existing time charter contracts at rewarding levels. At the beginning of 2022, 79% of EXMAR's Midsize fleet has already been committed to these clients for 2022.

Pressurized

West of Suez, refinery runs increased in 2021 after a market dip in 2020 due to the pandemic impacting demand. This in turn had a positive effect on vessel utilisation and rates in the pressurized segment. Pre-pandemic market levels have been reached again and going forward, 2022 is expected to offer equally firm prospects.

EXMAR's pressurized fleet of ten ships remained dedicated to well-established industrial and long-term partners, both in North-West Europe and in Asia. Consequently, the time charter cover for 2022 already stands at 76% at improved levels compared to last year.

Liquefied Natural Gas (LNG)

EXMAR currently owns one LNG carrier, EXCALIBUR (2002 built) in its fleet in joint venture with Seapeak. The vessel successfully continued under her long-term time charter until end of December 2021 when she was redelivered. Various options are being explored to deploy the ship in upstream infrastructure projects as an FSU/FSRU, as well as for chartering alternatives.

The end of 2021 enjoyed spot and time charter freight markets at historically high levels on the back of substantial LNG imports into China and Japan. Spot levels for steam turbine LNG carriers reached earnings well over USD 100,000 per day in the last quarter until correcting downwards. It is expected that 2022 will remain a rewarding year for modern large LNG carriers albeit with freight quoted at more moderate levels.

Infrastructure:

Floating LNG barges

TANGO FLNG has been safely and securely laid up in Nueva Palmira, Uruguay. Being promoted as a fast track solution to develop LNG exports, continued efforts are being made to re-employ the floating barge. In the meantime, personnel both on board and ashore are keeping the unit on standby and continuously improving its operations and maintenance management systems.

For FSRU S188, EXMAR and GASUNIE announced in March 2022 an agreement for a five-year charter for the employment of the regasification barge, and as such they join forces in enhancing European energy security. GASUNIE will use the regasification barge as floating LNG import terminal at Eemshaven in Groningen, the Netherlands.

Accommodation barges

Despite the difficult working circumstances caused by the pandemic, the accommodation barges NUNCE and WARIBOKO have confirmed their reputation of high standard services to their customers in the West Africa offshore region.

NUNCE has confirmed its reputation of 100% uptime and is contracted with Sonagol until June 2022. WARI-BOKO resumed employment in Nigeria in February 2021 which has lasted until end of July, with alternative employment now being sought for the unit.

Current oil and gas prices are expected to have a positive impact on project development in exploration and production and the need for floating accommodation and work barges. The demand for offshore/platform supply vessels appears getting stronger in West Africa and the crash of oil and gas prices in 2020 has caused several suppliers of idle and substandard accommodation barges to leave the market. Under these circumstances, marketing efforts in West Africa Oil and Gas market are ongoing and encouraging.

Supporting Services:

Ship Management

EXMAR Shipmanagement is actively pursuing new business developments for 2022 after the successful delivery and entry into operation and management of the two EXMAR VLGC newbuilds.

BEXCO

The company achieved a record result in 2021, driven by a strong demand in the marine and offshore segments, with orders catching up from the much weaker market in 2020, caused by the outbreak of the pandemic. 2022 looks promising although likely not at the same record-high level of 2021.

TRAVEL PLUS

The continued pandemic adversely affected bookings in 2021 in both leisure and business segments. The company also serves the Group's crew travel requirements, with special efforts needed to adapt travel itineraries to meet changing local quarantine and clearance requirements.

Despite the recent pandemic waves, the enthusiasm to travel by TRAVEL PLUS' loyal leisure customer base in Belgium has been confirmed by booking enquiries for 2022. The higher vaccination coverage will increasingly smoothen out the COVID peaks and the appetite for travel is returning, also in the business segment.

Approval and discharge of the annual accounts

We hereby request the General Meeting of Shareholders to approve this report for the year ending December 31, 2021 in its entirety and to appropriate the results as provided in this report. We also request the shareholders to grant discharge to the directors and Statutory Auditor for the performance of their mandate during the above-mentioned financial year.

Appointments

The following mandates will expire at the General Meeting of Shareholders:

- Wouter DE GEEST, non-executive director
- Michel DELBAERE, non-executive director
- Isabelle VLEURINCK, non-executive director
- FMO BV, represented by Francis MOTTRIE, executive director

All directors are available for re-election.

The following directors were co-opted on 9 September 2021 by the Board of Directors and the approval of their co-optation is requested at the General Meeting of Shareholders:

- Maryam AYATI, non-executive director
- ACACIA I BV represented by Els VERBRAECKEN, non-executive director

The Board of Directors, 1 April 2022

5.2 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of USD)	Note	2021	2020 [(1)]
Non-current assets		**767,312**	**694,193**
Vessels and barges	10	648,436	561,424
Vessels and barges		648,436	528,261
Assets under construction - advance payments		0	33,163
Other property, plant and equipment	11	1,274	1,680
Intangible assets	12	82	73
Right-of-use assets	13	6,000	3,461
Non-current receivables	19	0	24,444
Investments in equity accounted investees	14	94,678	73,298
Borrowings to equity accounted investees	16	16,841	29,813
Current assets		**234,083**	**237,732**
Assets held for sale	17	12,500	10,000
Derivative financial assets	8	920	0
Other investments	18	1,849	1,354
Trade and other receivables	19	55,154	107,636
Borrowings to equity accounted investees	16	15,407	11,500
Current tax assets	20	1,003	3,472
Restricted cash	21	76,121	75,575
Cash and cash equivalents	21	71,130	28,195
Total assets		**1,001,395**	**931,924**
Equity		**536,503**	**545,915**
Equity attributable to owners of the Company		536,231	545,659
Share capital	22	88,812	88,812
Share premium	22	209,902	209,902
Reserves		225,918	155,011
Result for the period		11,600	91,934
Non-controlling interest		272	256
Non-current liabilities		**315,347**	**278,304**
Borrowings	24	313,816	276,588
Employee benefit obligations	26	730	1,715
Provisions		800	0
Current liabilities		**149,546**	**107,706**
Borrowings	24	110,995	65,031
Trade and other payables	27	37,241	37,632
Current tax liability	20	1,309	5,043
Total liabilities		**464,892**	**386,009**
Total equity and liabilities		**1,001,395**	**931,924**

(1) In the comparable data of 2020 USD 24.4 million was reclassed from current to non-current trade receivables to reflect the actual expected payment. We refer to Note 19 Trade and other receivables for further information.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(In thousands of USD) CONSOLIDATED STATEMENT OF PROFIT OR LOSS	Note	2021	2020 (1)
Revenue	4	148,229	285,154
Gain on disposal		52	95
Other operating income		990	1,534
Operating income		**149,272**	**286,783**
Vessel expenses	5	-45,068	-48,850
General and administrative expenses	6	-24,536	-29,806
Personnel expenses	7	-27,349	-30,622
Depreciations and amortisations	10-13	-31,364	-37,270
Impairment losses and reversals	10,17,19	-17,585	-1,068
Loss on disposal		-100	-4
Other operating expenses		-888	0
Result from operating activities		**2,382**	**139,164**
Interest income	8	1,537	1,958
Interest expenses	8	-15,526	-17,568
Other finance income	8	10,198	1,508
Other finance expenses	8	-6,785	-14,254
Net finance result		**-10,577**	**-28,355**
Result before income tax and share of result of equity accounted investees		**-8,195**	**110,809**
Share of result of equity accounted investees (net of income tax)	14	21,769	-17,830
Result before income tax		**13,574**	**92,980**
Income tax expense	9	-1,939	-1,020
Result for the period		**11,635**	**91,960**
Attributable to:			
Non-controlling interest		35	25
Owners of the Company		11,600	91,934
Result for the period		**11,635**	**91,960**
Basic earnings per share (in USD)	23	0.20	1.61
Diluted earnings per share (in USD)	23	0.20	1.61
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Result for the period		**11,635**	**91,960**
Items that are or may be reclassified subsequently to profit or loss:			
Equity accounted investees - share in other comprehensive income	14	618	93
Foreign currency translation differences		-1,521	5,125
Items that will never be reclassified to profit and loss:			
Employee benefits - remeasurements of defined benefit liability/assets	26	647	-203
Total other comprehensive income for the period (net of tax)		**-256**	**5,014**
Total comprehensive income for the period		**11,378**	**96,974**
Attributable to:			
Non-controlling interest		15	46
Owners of the Company		11,364	96,928

(1) In the comparable data of 2020 USD 1.6 million was reclassed from general and administrative expenses to vessel expense to better reflect the nature of the expense. This presentation change had no impact on the net result.

CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands of USD)	Note	2021	2020 (1)
Result for the period		11,635	91,960
Share of result of equity accounted investees (net of income tax)	14	-21,769	17,830
Depreciations & amortisations	10-13	31,364	37,270
Impairment losses and reversals	10,17,19	17,585	1,068
Net finance result	8	10,577	28,355
Income tax expense/ (income)	9	1,939	1,020
Net (gain)/ loss on sale of assets		48	-91
Realized foreign currency gains (losses)	8	1,310	-2,105
Gross cash flow from operating activities		**52,689**	**175,307**
(Increase)/decrease of trade and other receivables		75,394	-88,975
Increase/(decrease) of trade and other payables		1,752	-12,161
Increase/(decrease) in provisions and employee benefits		552	-178
Cash generated from operating activities		**130,387**	**73,993**
Interest paid		-16,412	-19,297
Interest received		351	1,957
Income taxes paid		-2,405	-3,211
NET CASH FROM OPERATING ACTIVITIES		**111,921**	**53,443**
Acquisition of vessels and vessels under construction	10	-135,302	-19,572
Acquisition of other property plant and equipment	11	-250	-192
Acquisition of intangible assets	12	-79	-17
Proceeds from the sale of vessels and other property, plant and equipment		298	91
Dividends from equity accounted investees	14	379	3,814
Other dividends received	8	16	121
Proceeds from the sale of investments	8	0	1,681
Borrowings to equity accounted investees	16	-590	-575
Repayments from equity accounted investees	16	10,000	10,000
NET CASH FROM INVESTING ACTIVITIES		**-125,528**	**-4,651**
Dividend paid	22	-20,601	0
Proceeds from new borrowings	24	144,000	12,802
Repayment of borrowings	24	-62,532	-62,036
Repayment of lease liabilities IFRS 16 (principal portion)	24	-1,554	-17,392
Payment of debt transaction costs & banking fees		-1,520	0
Increase in restricted cash	21	-546	-48,305
Release restricted cash	21	0	40,000
NET CASH FROM FINANCING ACTIVITIES		**57,248**	**-74,931**
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		**43,641**	**-26,139**
Net cash and cash equivalents at 1 January		28,195	52,626
Net increase/(decrease) in cash and cash equivalents		43,641	-26,139
Exchange rate fluctuations on cash and cash equivalents		-706	1,708
NET CASH AND CASH EQUIVALENTS AT 31 DECEMBER	21	**71,130**	**28,195**

(1) The presentation of the items within the cash from operating activities has been modified but without any impact on the net result or on the other cash flow captions.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In thousands of USD)	Note	Share capital	Share premium	Retained earnings	Reserve for treasury shares	Translation reserve	Hedging reserve	Share-based payments reserve	Total	Non-controlling interest	Total equity
Opening equity as previously reported per 1 January 2021		**88,812**	**209,902**	**289,079**	**-44,349**	**-1,086**	**-298**	**3,598**	**545,658**	**256**	**545,915**
Comprehensive result for the period											
Result for the period				**11,600**					**11,600**	**35**	**11,635**
Foreign currency translation differences	21					-1,501			**-1,501**	-20	**-1,521**
Foreign currency translation differences - share equity accounted investees	14					-441			**-441**		**-441**
Employee benefits - remeasurement net defined benefit obligations	26			647					**647**		**647**
Net change in fair value of cash flow hedges - share equity accounted investees	14						1,059		**1,059**		**1,059**
Total other comprehensive result		**0**	**0**	**647**	**0**	**-1,942**	**1,059**	**0**	**-236**	**-20**	**-256**
Total comprehensive result for the period		**0**	**0**	**12,247**	**0**	**-1,942**	**1,059**	**0**	**11,364**	**15**	**11,378**
Transactions with owners of the Company											
Dividends declared	21			-20,791					**-20,791**		**-20,791**
Share-based payments	25			1,513				-1,513	**0**		**0**
Total transactions with owners of the Company		**0**	**0**	**-19,278**	**0**	**0**	**0**	**-1,513**	**-20,791**	**0**	**-20,791**
Closing equity per 31 December 2021		**88,812**	**209,902**	**282,048**	**-44,349**	**-3,028**	**761**	**2,086**	**536,231**	**271**	**536,503**

(In thousands of USD)	Note	Share capital	Share premium	Retained earnings	Reserve for treasury shares	Translation reserve	Hedging reserve	Share-based payments reserve	Total	Non-controlling interest	Total equity
Opening equity as previously reported per 1 January 2020		**88,812**	**209,902**	**195,808**	**-44,349**	**-6,603**	**22**	**5,138**	**448,730**	**210**	**448,940**
Comprehensive result for the period											
Result for the period				**91,934**					**91,934**	**25**	**91,960**
Foreign currency translation differences	**21**					**5,104**			**5,104**	**21**	**5,125**
Foreign currency translation differences – share equity accounted investees	14					413			**413**		**413**
Employee benefits – remeasurement net defined benefit obligations	26			-203					**-203**		**-203**
Net change in fair value of cash flow hedges – share equity accounted investees	14						-320		**-320**		**-320**
Total other comprehensive result		**0**	**0**	**-203**	**0**	**5,517**	**-320**	**0**	**4,993**	**21**	**5,014**
Total comprehensive result for the period		**0**	**0**	**91,731**	**0**	**5,517**	**-320**	**0**	**96,928**	**46**	**96,974**
Transactions with owners of the Company											
Share-based payments	25			1,540				-1,540	**0**		**0**
Total transactions with owners of the Company		**0**	**0**	**1,540**	**0**	**0**	**0**	**-1,540**	**0**	**0**	**0**
Closing equity per 31 December 2020		88,812	209,902	289,079	-44,349	-1,086	-298	3,598	**545,658**	256	**545,915**

NOTE 1 – ACCOUNTING POLICIES

A. Reporting entity

EXMAR NV ("the Company") is a company domiciled in Belgium whose shares are publicly traded (Euronext – EXM). The consolidated financial statements of the Group comprise the Company, its subsidiaries, and the Group's interest in associates and joint arrangements (referred to as the "Group"). The Group is active in the industrial shipping business.

B. Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by EU on December 31, 2021.

The accounting policies adopted in preparing the 2021 consolidated financial statements are consistent with those applied in the previous financial year, except for the items below.

New and amended standards and interpretations, effective in 2021

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2021:

- Interest Rate Benchmark Reform – phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16);
- COVID-19 related rent concessions beyond June 30, 2021 (Amendment to IFRS 16).

The Group believes that these have little or no impact on its consolidated financial statements.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended December 31, 2021 and have not been applied in preparing these consolidated financial statements. The following new or amended standards or interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

- IFRS 17 *Insurance Contracts*;
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1);
- Reference to the Conceptual Framework (Amendments to IFRS 3);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- IFRS 9 *Financial instruments* – Fees in the "10 percent" test for derecognition of financial liabilities;
- IAS 41 *Agriculture* – Taxation in fair value measurements;
- Definition of Accounting Estimates (Amendment to IAS 8);
- Disclosure of Accounting Policies (Amendment to IAS 1 and IFRS Practice Statement 2).

The consolidated financial statements were approved and were authorised for issue by the Board of Directors on April 1, 2022.

C. Basis of measurement and presentation

The consolidated financial statements are presented in thousands of USD, which is also the functional currency of the parent company. The Financial Services and Markets Authority (FSMA) approved the use of the USD as reporting currency by letter of July 2, 2003 as the majority of the Group's shipping activities and related financing are expressed in USD. All values are rounded to the nearest thousand.

The financial statements are prepared on the historical cost basis except for the following material assets and liabilities that have been measured on an alternative basis on each reporting date: derivative financial instruments, equity securities at FVTPL and the net defined benefit liability. Assets held for sale are stated at the lower of carrying amount and fair value less cost to sell.

D. Use of judgements and estimates

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses, the accompanying disclosures and the disclosure of contingent liability. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have a significant impact on the amounts reported in the consolidated financial statements:

Leases – assessment of lease term & purchase options

Determining the lease term required judgment. Elements that are considered include assessing the probability of that early termination options or extension options will be exercised. All facts and circumstances relevant to the assessment are considered.

Specifically, for the pressurized fleet, management has made the assumption that the purchase options for the 10 vessels will be exercised at the end of the respective financing agreements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of vessels and barges

The Group reviews the carrying amount of each vessel for potential impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount of a specific vessel may not be fully recoverable. The recoverable amount is the highest of the fair value less cost to sell and the value in use.

The fair value less cost to sell is determined based upon independent valuation reports. The Group engages two independent valuation specialists to assess fair values at reporting date. The carrying values of the vessels may not represent the fair market value at any point in time since the market prices of second hand vessels tend to fluctuate with changes in charter rates and the cost of new buildings. Historically, both charter rates and vessel values tend to be cyclical.

The value in use is based upon future cash flows discounted to their present value. In developing estimates of future cash flows, management makes assumptions about expected operation date (in case of temporarily unemployed vessels), future charter rates, ship operating expenses, the estimated remaining useful lives of the fleet and the WACC. These assumptions are based on historical trends as well as future expectations. Although management believes that the assumptions used to evaluate potential impairment are reasonable and appropriate, such assumptions are highly subjective. We refer to Note 10 Vessels and barges for additional information on the assumptions applied and sensitivity analysis at year-end.

Climate change and sustainability related developments

Climate related matters and measures such as the introduction of emission reduction legislation may have a significant impact on the EXMAR business and its customers. EXMAR is closely monitoring current developments and measures related to climate change and sustainability, and believes these currently do not result in fundamentally changed expectations regarding useful lives or recoverability of our fleet. In the sensitivity analysis of the annual impairment test of vessels and barges, the age and emission rating of each particular asset was considered. We refer to Note 10 Vessels and barges for additional information.

E. Significant accounting policies

a. Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group.

In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Goodwill is initially measured at the acquisition date as the excess of the aggregate of the fair value of the consideration transferred, plus the recognized amount of any non-controlling interests in the acquire, plus – if the business combination is achieved in stages – the fair value of the existing equity interest in the acquire, less the net recognized amount (generally at fair value) of the identified assets and liabilities assumed.

When the excess is negative, a bargain purchase gain is immediately recognized in profit or loss.

Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in fair value are recognised in profit or loss.

Subsidiaries

Subsidiaries are those entities controlled by the Group. The Group 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 over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. All intra-Group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-Group transactions are eliminated in full.

Loss of control

Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, and non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit and loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date the control is lost.

Interests in equity-accounted investees

The Group's interest in equity accounted investees comprises interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power.

A **joint venture** is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are accounted for using the equity method and are recognised initially at cost. The cost of the investment includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the share of the Group in the losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to zero, and the recognition of future losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the investee. In such case the negative investment in equity accounted investees is deducted from other components of the investor's interest in the equity accounted investee (borrowings to equity accounted investees). If the negative investment in equity accounted investees exceeds the investor's interest, a liability is recognized for the net amount. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b. Foreign currency

Functional currency

Each entity prepares its individual financial statements in the currency of the primary economic environment in which the entity operates (i.e. the functional currency). Several European and Hong Kong based entities have the USD as functional currency as the majority of their cash flows are expressed in USD.

Transactions and balances

In preparing the individual financial statements, transactions in currencies other than the entities' functional currency are recorded at the exchange rate applicable at the date of the transaction.

At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated to the functional currency spot exchange rates at that date. The non-monetary assets and liabilities that are measured in terms of historical cost are translated to the functional currency at the exchange rate at the date of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Foreign exchange differences arising on translation are recognised in the profit or loss statement, except for qualified cash flow hedges to the extent that the hedges are effective, which are recognised in other comprehensive income.

Consolidation of foreign operations

On consolidation, assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to USD – the group reporting currency - using the closing rate at reporting date. The income and expenses of the foreign operations are converted to USD at the exchange rate at the date of the transaction (the average exchange rate during the relevant period is used in case the date of transaction approximates this average rate).

Foreign currency translation differences are recognized directly in other comprehensive income. These foreign currency differences are presented within the “Translation reserve” caption. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed of, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit and loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit and loss.

c. Financial instruments

Financial assets and financial liabilities are recognised in the Group’s statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Debt instruments that meet the following conditions are measured subsequently at amortised cost (see (i) below):

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The main exchange rates used are:

	Closing rates		Average rates	
EXCHANGE RATES	**31/12/2021**	**31/12/2020**	**2021**	**2020**
EUR	0.8829	0.8149	0.8407	0.8784
GBP	0.7419	0.7326	0.7258	0.7777
HKD	7.7992	7.7534	7.7704	7.7591
NOK	8.8194	8.5326	8.5788	9.4272
ARS	102.7327	84.1468	94.1620	69.7301
KRW	1,189.0606	1,089.3246	1,137.6564	1,183.4320

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI) (see (ii) below):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets:

(i.) **Financial assets at amortised costs**: These assets are subsequently measured at amortised costs using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
(ii.) **Debt investments at FVTOCI:** These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
(iii.) **Equity investments at FVTOCI:** These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.
(iv.) **Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, see section derivative financial instruments and hedge accounting for derivatives designated as hedging instruments.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control over the financial asset.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

See section "Derivative financial instruments and hedge accounting" for derivatives designated as hedging instruments.

Derecognition of financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. When an existing loan is replaced by another from the same lender on substantially different terms, or the terms of the existing loans are substantially modified, such an exchange or modification is treated as a derecognition of the original loan and the recognition of a new loan (at fair value). The difference in the respective carrying value is recognized in the statement of profit and loss.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of tax effects. When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs net of tax, is recognised as a deduction from equity. When treasury shares are sold, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented in retained earnings.

Derivative financial instruments & hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into. Subsequent to initial recognition, derivatives are recognized at fair value and changes therein are generally recognized in profit and loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk of a net investment in a foreign operation.

At inception of designated hedge relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedged instrument, including whether the changes in cash flow of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss. The amount accumulated in the hedging reserve and the cost of the hedging reserve is reclassified to profit or loss in the same period or periods during which the hedge expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, any gain or loss recognised in other comprehensive income and accumulated in the cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is immediately reclassified to profit or loss.

d. Goodwill

Goodwill arising upon the acquisition of subsidiaries is included in intangible assets.

For the measurement of goodwill at initial recognition, we refer to the accounting policy “Business combination” under a) Basis of consolidation.

Subsequently, goodwill is measured at cost less accumulated impairment losses (see accounting policy g Impairment of assets).

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is allocated to the carrying amount of the equity accounted investee as a whole.

e. Intangible assets

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially new improved products and processes. Development costs are capitalized only if the development cost can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets

Other intangible assets (e.g. software,…) acquired by the Group that have finite useful lives are measured at cost less accumulated amortisations and accumulated impairment losses. The amortisation is recognized in the profit or loss statement, and is spread over the useful life of the relevant intangible assets following the straight-line depreciation method. The amortization starts from the date that they are available for use. Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets with an indefinite useful life or that are not yet available for use, are subject to an annual impairment test.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is recognized in profit or loss as incurred.

f. Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset and to bringing the asset to the location and condition necessary for its intended use. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and capitalized borrowing costs.

Subsequent expenses associated with items of property, plant and equipment are capitalised only if a future economic advantage will result from this expenditure and its cost can be measured reliably. If a part of an item of property, plant and equipment is replaced, the replacement cost is capitalised and the carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss statement as incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, less its residual value and is recognized in profit or loss.

Vessels, barges or units in the construction process are separately classified on the balance sheet as assets under construction. These assets under construction are not depreciated, depreciation starts at the moment that the vessels are delivered. As from the moment of delivery, the vessels are no longer classified as under construction. The business model of the Group aims to rent or operate the constructed assets.

The vessels are depreciated on a straight-line basis to their residual value over their estimated useful life (as from construction date) in the Group as follows:

Gas vessel LPG pressurized [1]	20	years
Gas vessel LPG	30	years
Gas vessel VLGC	30	years
Gas vessel LNG	35	years
LNG units	30	years
Accommodation platform, newbuild:		
- Hull machinery & deck outfitting	20	years
- Accommodation	10	years
Accommodation platform, second hand	10-12	years

(1) In June 2016, EXMAR increased its share in the pressurized fleet from 50% to 100% and applied IFRS 3 Business combinations to account for this. The vessels were at that date accounted for at fair value and are being depreciated over their remaining useful life, which was 30 years as from construction date, or on average a remaining term of 23 years. In 2020, management re-assessed the useful life and reduced it from 30 to 20 years (as from construction date), or an average remaining useful life of 10 years as from January 1, 2020.

Vessels and barges are estimated to have a zero residual value.

Dry-docking expenses are capitalised when they occur and depreciated over a period until the next dry-dock.

Other property, plant and equipment are depreciated over their estimated useful life using the straight-line depreciation method. Land is not depreciated.

The estimated useful lives of the various other types of assets are as follows:

Buildings	33.3	years
Leased real estate	33.3	years
Plant and equipment	5	years
Furniture	10	years
Cars	5	years
Airplane	10	years
IT equipment	3	years

g. Impairment of assets

Financial assets

Financial assets measured at cost.

Financial assets measured at cost are assessed each reporting date to determine whether the credit risk of a financial asset has increased significantly since initial recognition. The Group measures loss allowances at an amount equal to lifetime expected credit losses (ECL's). When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating lifetime ECL's, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Equity accounted investees

After application of the equity method, the entity determines whether it is necessary to recognise an impairment loss with respect to its net investment in the associate or joint venture. An impairment loss in respect of an equity accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit and loss and is reversed when there is a favourable change in the estimates used to determine the recoverable amount.

Non-financial assets

The carrying value of non-financial assets, other than deferred tax assets, are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill and intangible assets that have indefinite lives or that are not yet available for use the recoverable amount is estimated on each balance sheet date.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. All impairment losses are recognised in the profit or loss statement.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses in prior periods are assessed at each reporting date for indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h. Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Group's accounting policies. Thereafter the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis except that no loss is allocated to assets not in the measurement scope of IFRS 5, which continue to be measured in accordance with the Group's other accounting policies. Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of equity accounted investees ceases once classified as held for sale or distribution.

i. Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit or loss statement as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; discounting that amount and deducting the fair value of any plan assets. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of a any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Belgian defined contribution plans with return guaranteed by law

Belgian defined contribution plans are subject to the Law of April 28, 2003 on occupational pensions (hereafter 'the WAP'). According to article 24 of this Law, the employer has to guarantee an average minimum return of 3.75% on employee contributions and of 3.25% on employer contributions and this for contributions paid until December 31, 2015. As from January 2016, the employer has to guarantee an average minimum return of 1.75% on both employer and employee contributions (as changed by the Law of December 18, 2015). This guaranteed minimum return generally exceeds the return that is normally guaranteed by the insurer. Because the employer has to guarantee the statutory minimum return on these plans, not all actuarial and investment risks relating to these plans are transferred to the insurance company managing the plans. Therefore, these plans do not meet the definition of a defined contribution plan under IFRS and have to be classified by default as defined benefit plans. An actuarial calculation has been performed in accordance with IAS 19 based on the projected unit credit method.

Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility or withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

Short-term employee benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payment transactions

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the options. The amounts recognised as an expense is adjusted to reflect the actual number of options for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at vesting date.

j. Provisions

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as result of a past event, that can be estimated reliably and it is probable that an outflow of benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Restructuring provisions

Provisions for restructuring are recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Future operating costs are not provided for.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is recorded, the Group recognises any impairment loss on the assets associated with that contract.

k. Income

Charter revenue

The company and/ or its joint ventures generate revenues from charterers for the use of its assets. Assets are chartered using voyage/spot, time or bareboat charters and pool revenue:

- **Voyage/spot charters:** Voyage revenue is recognized over time of spot charters on a load-to-discharge basis. Progress is determined on time elapsed. Voyage expenses are expensed as occurred. When our vessels cannot start or continue performing its obligation due to other factors, such as port delays, a demurrage is calculated. The applicable demurrage rate is stipulated in the contract. As demurrage is often a commercial discussion between EXMAR and the charterer, the outcome and total compensation receivable for the delay is not always certain. As such, EXMAR only recognizes the revenue which is highly probable to be received. No revenue is recognized if the collection of the consideration is not highly probable. The amount of revenue recognized is estimated based on historical data. The Group updates its estimate on an annual basis.
- **Time- and Bareboat charters:** As a lessor, the Group leases out some of its vessels under time – and bareboat charters (see also l) Leases). For time or bareboat charters, a contract is entered into for the use of an asset for a specific period of time at a contractual agreed daily or monthly rate. Revenue from time or bareboat charters are accounted for as operating leases and are recognised over the duration as service is performed.
- **Pool revenue:** Aggregated revenue recognized on a daily basis from vessels operating on voyage or time charter and contract of affreightment ("COA") within the pool is converted into an aggregated net revenue amount by extracting aggregated voyage expenses (such as fuel consumption, port charges,..) from gross revenue. This net revenue is used to determine the pool Time Charter Equivalent revenue ("TCE"). Aggregate TCE revenue is used to allocate revenue to the pool partners in accordance with the allocated pool points earned for each vessel. Pool points are determined taking into account the following parameters: intake (= capacity of the vessel), speed, fuel consumption performance and actual on hire days. The TCE revenue earned by our vessels operated in the pool is equal to the pool point rating of each vessel multiplied by time on hire, as reported by the pool manager. Revenue from these floating time charter agreements under which vessels are employed by the pool is accounted for under IFRS 15 *Revenue from contracts with customers*.

Revenue from services rendered

Revenue from services such as ship management engineering and technical assistance services are recognised in the profit or loss statement over time as the services are provided. The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs (recurring services). Invoices and related payment terms depend on individual contractual terms.

License income

Revenue from the licensing of EXMAR's intellectual property is in general recognised over time together with the underlying services rendered based on time and material spent. In case the license revenue is considered distinct and distinct within the context of the contract, this revenue will be recognized at the point in time when EXMAR satisfies the performance obligation and control is transferred to the customer.

Gain on sale of assets

Gain on the sale of assets is recognised in the profit or loss statement when control of the goods underlying the particular performance obligation is transferred to the customer. For the sale of a vessel, control is transferred to the customer at the moment that the vessel is delivered to the customer. Invoices and related payment terms depend on individual contractual terms.

Commissions

if the Group acts in the capacity of an agent rather than as a principal in the transaction, then the revenue recognised is the net amount of commission made by the Group.

l. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets separately on the face of the balance sheet and lease liabilities in "Loans and borrowings" in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "Revenue".

m. Government grants

Government grants are recognised initially as deferred income at fair value when there is a reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant and are then recognised in profit and loss as other income on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

n. Finance income and expenses

Finance income consists of interests received, dividend income, gains on the disposal of equity securities at FVTPL, changes in the fair value of financial assets at fair value through profit or loss, and gains on hedging instruments that are recognised in profit or loss and exchange rate gains. Interest income is recognised in the profit or loss statement as it accrues, taking into account the effective yield on the asset. Dividend income is recognised in the profit or loss statement on the date that the dividend is declared.

Finance expenses consist of interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, exchange rate losses and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Foreign currency gains and losses are reported on a net basis per currency as either other finance income or finance expense.

o. Taxes

Income tax expense consists of current and deferred taxes. Current and deferred tax is recognised in the profit or loss statement, except to the extent it relates to a business combination, or when they relate to items that are recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss of the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit, and differences relating to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of reversal and it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reduced when it is no longer probable that the related tax benefits will be realized. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that is has become probable that future taxable profits will be available against which they can be used. Deferred tax assets and liabilities are offset only if certain conditions are met.

Tonnage tax is not accounted for as income taxes in accordance with IAS 12 and is not presented as part of income tax expense in the profit or loss statement but is shown under other operating expenses.

p. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by management to make decisions about resources to be allocated to the segment and assess its performance.

The result for each segment includes all income and expenses generated directly by this segment, as well as part of the income and expenses that can reasonably be allocated to this segment. The assets and liabilities allocated to a segment include as a minimum the assets and liabilities which are periodically reported to the Chief operating decision maker, being the Group's CEO and the Executive Committee.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets.

q. Earnings per share

The Group presents basic and diluted earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for treasury shares held. Diluted earnings per share is determined by adjusting the profit and loss attributable to ordinary shareholders and the weighted average of ordinary shares outstanding, adjusted for treasury shares held and for the effects of all dilutive potential ordinary shares such as share options granted to employees.

r. Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale; is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations or is a subsidiary acquired exclusively with a view to re-sale. Classification of a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative profit or loss statement is restated as if the operation had been discontinued from the start of the comparative period.

NOTE 2 - SEGMENT REPORTING

In respect of joint ventures, the company continues to manage its operations based on internal management reports applying the principles of the proportionate consolidation method. The reconciliation of the segment reporting to the consolidated statement of financial position and the consolidated statement of profit or loss is presented in Note 3 Reconciliation segment reporting. All differences relate to the application of IFRS 11 *Joint arrangements*, no other differences exist.

The Group has 3 reportable segments. The Group's operating segments reflect the level at which the Group's CEO and the Executive Committee review the business and make decisions about the allocation of resources and other operating matters. These segments offer different products and services and are managed separately.

- The activities in the **Shipping** segment include the transportation of liquefied gas products such as Liquid Natural Gas (LNG), Liquid Petroleum Gas (LPG), ammonia and petrochemical gases.
- The **Infrastructure** segment provides innovative floating infrastructure solutions to the oil & gas industry both by making use of its asset portfolio and through developing new assets for near-shore and offshore production, processing, storage or other ancillary services.
- The segment **Supporting services** includes the specialised supporting services such as ship management services and travel services.

The company's internal and management structure does not distinguish any geographical information (non-current assets and revenue per major country) as the company's fleet is operated on a worldwide basis.

The intra-segment revenue mainly relates to management, supervision and crew services provided between segments.

Major shipping client Equinor (ex-Statoil) represented 19.9% (2020: 20.5%) of the revenue of the Shipping segment and 14.3% (2020: 12.1%) of the EXMAR Group revenue in 2021. The remaining part of the Shipping revenue is divided between 14 different customers. Gunvor represented 30.6% (2020: 36.7%) of the revenue of the Infrastructure segment and 5.7% (2020: 10.6%) of the EXMAR Group revenue in 2021. In 2020, YPF represented 17.3% of the revenue of the Infrastructure segment and 5.0% of the EXMAR Group revenue, versus 0% in 2021. The percentages mentioned are calculated excluding settlement fees. No other customers represented more than 10.0% of the EXMAR Group revenue in 2021.

Segment reporting 2021

(In thousands of USD) CONSOLIDATED STATEMENT OF PROFIT OR LOSS	Shipping	Infrastucture	Supporting services	Eliminations	Total
Revenue third party	136,013	91,986	19,047	0	247,046
Revenue intra-segment	1,667	781	7,503	-9,951	0
Total revenue	**137,680**	**92,767**	**26,550**	**-9,951**	**247,046**
Gain on disposal	171	0	33	0	204
Other operating income	747	102	253	-113	990
Operating income	**138,598**	**92,869**	**26,836**	**-10,064**	**248,239**
Operating result before depreciations, amortisations & impairment losses (EBITDA)	**65,054**	**54,420**	**-5,987**	**0**	**113,486**
Depreciations and amortisations	-43,918	-17,225	-984	0	-62,126
Impairment losses and reversals	5,700	-20,063	-23	0	-14,385
Operating result (EBIT)	**26,836**	**17,132**	**-6,994**	**0**	**36,975**
Interest income (non-interco)	-4	1,179	162	0	1,337
Interest income interco	1	0	13,083	-13,084	0
Interest expenses (non-interco)	-15,009	-11,194	-140	0	-26,343
Interest expenses interco	-334	-12,749	-1	13,084	0
Other finance income	1,062	4,014	6,350	-1,000	10,426
Other finance expenses	-1,709	-4,743	-1,812	1,000	-7,264
Share of result of equity accounted investees (net of income tax)	0	-1,638	138	0	-1,499
Income tax expense	-182	-695	-1,119	0	-1,997
Segment result for the period	**10,660**	**-8,694**	**9,668**	**0**	**11,635**
Attributable to:					
Non-controlling interest					35
Owners of the Company					11,600

(In thousands of USD)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Shipping	Infrastucture	Supporting services	Eliminations	Total
Assets					
Vessels and barges	555,353	409,128	0	0	964,481
Other property, plant and equipment	52	240	982		1,274
Intangible assets	0	14	68		82
Right-of-use assets	16,122	2,969	2,266		21,356
Investments in equity accounted investees	0	2,969	2,400		5,369
Borrowings to equity accounted investees	0	9,848	-1,957		7,890
Assets held for sale	17,709	0	0		17,709
Restricted cash	1,761	76,121	0		77,882
Cash and cash equivalents	35,843	10,869	60,362		107,074
Total segment assets	**626,840**	**512,157**	**64,121**	**0**	**1,203,118**
Unallocated other investments					1,849
Unallocated trade and other receivables					70,462
Other unallocated assets					2,684
Total assets					**1,278,113**
Liabilities					
Non-current borrowings	413,621	116,216	1,665		531,502
Current borrowings	56,206	88,578	661		145,445
Non-current provisions	2,347	0	800		3,147
Current derivative financial instruments	0	0	0		0
Total segment liabilities	**472,173**	**204,795**	**3,126**	**0**	**680,094**
Unallocated equity					536,502
Unallocated trade and other payables					59,474
Unallocated other liabilities					2,044
Total equity and liabilities					**1,278,113**
CASH FLOW STATEMENT					
Cash from operating activities	48,645	26,710	88,766		164,121
Cash from investing activities	-135,473	-2,548	255		-137,765
Cash from financing activities	94,946	-21,611	-45,645		27,691
Exchange rate fluctuations					-706
Total cash flow	**8,119**	**2,551**	**43,376**	**0**	**53,340**
ADDITIONAL INFORMATION					
Capital expenditures	-141,768	-1,958	-250		-143,976
Proceeds from disposals	6,296	0	189		6,485

Segment reporting 2020

(In thousands of USD) CONSOLIDATED STATEMENT OF PROFIT OR LOSS	Shipping	Infrastucture	Supporting services	Eliminations	Total
Revenue third party	130,951	213,126	40,082	0	384,159
Revenue intra-segment	3,849	165	6,718	-10,732	0
Total revenue	**134,800**	**213,291**	**46,800**	**-10,732**	**384,159**
Gain on disposal	49	1	45	0	95
Other operating income	345	174	1,051	0	1,570
Operating income	**135,194**	**213,466**	**47,896**	**-10,732**	**385,824**
Operating result before depreciations, amortisations & impairment losses (EBITDA)	**68,058**	**161,002**	**10,795**	**0**	**239,855**
Depreciations and amortisations	-44,429	-25,184	-1,059	0	-70,672
Impairment losses and reversals	-31,469	-41	-27	0	-31,537
Operating result (EBIT)	**-7,840**	**135,777**	**9,709**	**0**	**137,646**
Interest income (non-interco)	183	1,117	60	0	1,360
Interest income interco	193	191	17,752	-18,136	0
Interest expenses (non-interco)	-14,648	-14,067	-851	0	-29,566
Interest expenses interco	-749	-17,177	-210	18,136	0
Other finance income	767	394	527	0	1,688
Other finance expenses	-4,049	-5,597	-6,449	0	-16,095
Share of result of equity accounted investees (net of income tax)	0	-2,139	89	0	-2,050
Income tax expense	-66	-451	-506	0	-1,023
Segment result for the period	**-26,209**	**98,048**	**20,121**	**0**	**91,960**
Attributable to:					
Non-controlling interest					25
Attributable to owners of the Company					91,934

(In thousands of USD) **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**	Shipping	Infrastucture	Supporting services	Eliminations	Total
Assets					
Vessels and barges	453,124	443,088	0	0	896,212
Other property, plant and equipment	65	328	1,287		1,680
Intangible assets	0	13	60		73
Right-of-use assets	22,784	2,200	953		25,937
Equity accounted investees	0	5,285	1,846		7,131
Borrowings to equity accounted investees	0	6,360	0		6,360
Assets held for sale	11,619	0	0		11,619
Restricted cash	1,761	75,575	0		77,336
Cash and cash equivalents	27,758	8,433	17,543		53,734
Total segment assets	**517,111**	**541,282**	**21,689**	**0**	**1,080,082**
Unallocated other investments					1,354
Unallocated trade and other receivables					144,363
Other unallocated assets					3,487
Total assets					**1,229,286**
Liabilities					
Non-current borrowings	300,940	205,907	438		507,285
Current borrowings	88,369	18,999	4,287		111,655
Non-current provisions	1,761	0	0		1,761
Current derivative financial instruments	1,078	0	0		1,078
Total segment liabilities	**392,148**	**224,906**	**4,725**	**0**	**621,779**
Unallocated equity					545,915
Unallocated trade and other payables					54,834
Unallocated other liabilities					6,758
Total equity and liabilities					**1,229,286**
CASH FLOW STATEMENT					
Cash from operating activities	54,490	19,870	29,127		103,487
Cash from investing activities	-26,729	-1,276	2,028		-25,977
Cash from financing activities	-48,707	-23,751	-30,269		-102,727
Exchange rate fluctuations					1,708
Total cash flow	**-20,946**	**-5,157**	**886**	**0**	**-23,509**
ADDITIONAL INFORMATION					
Capital expenditures	-26,729	-1,060	-192		-27,981
Proceeds from disposals	0	0	91		91

NOTE 3 – RECONCILIATION SEGMENT REPORTING

The financial information of each operating segment is reviewed by management using the proportionate consolidation method. The below tables reconcile the financial information as reported in the consolidated statement of financial position and the consolidated statement of profit or loss (using the equity consolidation method as required under IFRS 11) with the financial information disclosed in Note 2 Segment reporting (using the proportionate consolidation method).

(In thousands of USD) **FOR THE YEAR ENDED 31 DECEMBER 2021**	**Proportionate consolidation**	**Difference**	**Equity consolidation**
Revenue	247,046	-98,816	148,229
Gain on disposal	204	-151	52
Other operating income	990	0	990
Vessel expenses	-80,634	35,565	-45,068
General and administrative expenses	-25,149	613	-24,536
Personnel expenses	-27,355	6	-27,349
Depreciations and amortisations	-62,126	30,762	-31,364
Impairment losses and reversals	-14,385	-3,200	-17,585
Loss on disposal	-143	43	-100
Other operating expenses	-1,473	585	-888
Result from operating activities	**36,975**	**-34,593**	**2,382**
Interest income	1,337	200	1,537
Interest expenses	-26,343	10,817	-15,526
Other finance income	10,426	-229	10,198
Other finance expenses	-7,264	479	-6,785
Result before income tax and share of result of equity accounted investees	**15,131**	**-23,326**	**-8,195**
Share of result of equity accounted investees (net of income tax)	-1,499	23,268	21,769
Income tax expense	-1,997	58	-1,939
Result for the period	**11,635**	**0**	**11,635**

(In thousands of USD) **31 DECEMBER 2021**	Proportionate consolidation	Difference	Equity consolidation
Vessels and barges	964,481	-316,045	648,436
Other property, plant and equipment	1,274	0	1,274
Intangible assets	82	0	82
Right-of-use assets	21,356	-15,356	6,000
Investments in equity accounted investees	5,369	89,309	94,678
Borrowings to equity accounted investees	4	16,838	16,841
Derivative financial asset	761	-761	0
Non-current assets	**993,327**	**-226,015**	**767,312**
Assets held for sale	17,709	-5,209	12,500
Derivative financial asset	920	0	920
Other investments	1,849	0	1,849
Trade and other receivables	70,462	-15,308	55,154
Short term borrowings to equity accounted investees	7,887	7,520	15,407
Current tax assets	1,003	0	1,003
Restricted cash	77,882	-1,761	76,121
Cash and cash equivalents	107,074	-35,945	71,130
Current assets	**284,787**	**-50,703**	**234,083**
Total assets	**1,278,113**	**-276,718**	**1,001,395**
Equity	**536,502**	**1**	**536,503**
Borrowings	531,502	-217,686	313,816
Employee benefits	730	0	730
Non-current provisions	3,147	-2,347	800
Non-current liabilities	**535,379**	**-220,032**	**315,347**
Borrowings	145,445	-34,450	110,995
Trade and other payables	59,474	-22,233	37,241
Current tax liability	1,314	-5	1,309
Current liabilities	**206,233**	**-56,687**	**149,546**
Total equity and liabilities	**1,278,113**	**-276,718**	**1,001,395**

(In thousands of USD) **FOR THE YEAR ENDED 31 DECEMBER 2020**	Proportionate consolidation	Difference	Equity consolidation
Revenue	384,159	-99,005	285,154
Gain on disposal	95	0	95
Other operating income	1,570	-36	1,534
Vessel expenses	-84,819	35,969	-48,850
General and administrative expenses	-30,312	506	-29,806
Personnel expenses	-30,807	185	-30,622
Depreciations and amortisations	-70,672	33,402	-37,270
Impairment losses and reversals	-31,537	30,469	-1,068
Loss on disposal	-4	0	-4
Other operating expenses	-28	28	0
Result from operating activities	**137,646**	**1,519**	**139,164**
Interest income	1,360	598	1,958
Interest expenses	-29,566	11,998	-17,568
Other finance income	1,688	-179	1,508
Other finance expenses	-16,095	1,841	-14,254
Result before income tax and share of result of equity accounted investees	**95,033**	**15,776**	**110,809**
Share of result of equity accounted investees (net of income tax)	-2,050	-15,780	-17,830
Income tax expense	-1,023	3	-1,020
Result for the period	**91,960**	**0**	**91,960**

(In thousands of USD) **31 DECEMBER 2020**	Proportionate consolidation	Difference	Equity consolidation
Vessels and barges	896,212	-334,789	561,424
Other property, plant and equipment	1,680	0	1,680
Intangible assets	73	0	73
Right-of-use assets	25,937	-22,476	3,461
Non-current receivables	24,444	0	24,444
Investments in equity accounted investees	7,131	66,168	73,298
Borrowings to equity accounted investees	6,360	23,453	29,813
Non-current assets	**961,838**	**-267,645**	**694,193**
Assets held for sale	11,619	-1,619	10,000
Other investments	1,354	0	1,354
Trade and other receivables	118,419	-10,783	107,636
Short term borrowings to equity accounted investees	1,500	10,000	11,500
Current tax assets	3,487	-15	3,472
Restricted cash	77,336	-1,761	75,575
Cash and cash equivalents	53,734	-25,539	28,195
Current assets	**267,449**	**-29,717**	**237,732**
Total assets	**1,229,286**	**-297,362**	**931,924**
Equity	**545,915**	**0**	**545,915**
Borrowings	507,285	-230,697	276,588
Employee benefits	1,715	0	1,715
Non-current provisions	1,761	-1,761	0
Non-current liabilities	**510,761**	**-232,458**	**278,304**
Borrowings	111,655	-46,624	65,031
Trade and other payables	54,834	-17,202	37,632
Current tax liability	5,043	0	5,043
Current derivative financial instruments	1,078	-1,078	0
Current liabilities	**172,610**	**-64,904**	**107,706**
Total equity and liabilities	**1,229,286**	**-297,362**	**931,924**

NOTE 4 - REVENUE

(In thousands of USD)	2021	2020
Shipping segment	36,414	31,311
Infrastructure segment - ordinary revenue	32,710	61,618
Infrastructure segment - settlement fees	56,840	149,144
Supporting services segment - ordinary revenue	21,768	30,121
Supporting services segment - settlement fees	497	12,960
Revenue	**148,229**	**285,154**

The increase in total revenue at the Shipping segment is mainly a result of the new charter agreements for the two new build VLGCs, FLANDERS INNOVATION since mid-August 2021 and FLANDERS PIONEER since November 2021.

Ordinary revenue at the Infrastructure segment decreased significantly as a result of the unemployment of the TANGO FLNG since April 2020 and FSRU S188 since June 2021.

In 2020, YPF S.A. invoked force majeure under the Charter Agreement and Services Agreement for the TANGO FLNG and in October 2020, EXMAR and YPF reached a settlement agreement for a net amount of USD 149.1 million in consideration of the early settlement of the agreements and withdrawing of the arbitration proceedings. In accordance with IFRS 15, the full settlement fee was recognised in the statement of profit or loss of 2020. Per December 31, 2020 an amount of USD 109.8 million was still outstanding in respect of the settlement fee and this in accordance with the agreed payment schedule between both parties (USD 85.3 million in 2021 and USD 24.4 million in 2022, see Note 19 Trade and other receivables).

In 2021, Gunvor cancelled the charter agreement of the FSRU S188 and paid an early termination fee of USD 56.8 million.

The decrease in revenue at the Supporting services segment is related to the lower number of vessels under ship management, mainly caused by the termination of the ship management contracts of seven vessels of Excelerate Energy in prior year (see below).

In 2020, the Supporting services segment recognized in revenue the full cancellation fee of USD 13.0 million received from Excelerate Energy. In February 2019, Excelerate Energy, through the respective owning companies of each vessel, elected to terminate the ship management agreements for their seven vessels managed by EXMAR Shipmanagement NV. In accordance with the contractually agreed termination clauses a notice period up to two years had to be considered and a cancellation fee was due to EXMAR Shipmanagement. A transition schedule, subject to the operations of each vessel, and a payment schedule for the cancellation fee has been agreed between both parties end 2019.

Revenue which falls within the scope of IFRS 16 *Leasing* represented 46.1% (2020: 41.2%) of total revenue and is mainly situated in the Shipping segment. Revenue which falls within the scope of IFRS 15 *Revenue from contracts with customers* represented 53.9% (2020: 58.8%) of total revenue and is mainly situated in the Infrastructure and Supporting services segment. The percentages mentioned are calculated excluding settlement fees.

Major shipping clients Equinor (ex-Statoil) and Nippon Gas Line Co represented 28.2% (2020: 20.7%) and 29.0% (2020: 28.7%) respectively of the revenue of the Shipping segment. Both clients contributed 11.3% (2020: 5.3%) and 11.6% (2020: 7.3%) respectively to the EXMAR Group revenue in 2021. Gunvor represented 32.9% (2020: 38.1%) of the revenue of the Infrastructure segment and 11.8% (2020: 19.1%) of the EXMAR Group revenue in 2021. In 2020, YPF contributed 18.0% of the revenue of the Infrastructure segment and 9.0% of the EXMAR Group revenue, compared to 0% in 2021. The percentages mentioned are also calculated excluding settlement fees. No other customers represent more than 10.0% of the EXMAR Group revenue in 2021.

(In thousands of USD)	2021	2020
Trade receivables, included in trade and other receivables (current + non-current)	43,987	121,901
Contract assets, included in trade and other receivables	2,839	2,894
Contract liabilities, included in trade and other payables	6,479	8,818
Contract balances	**53,305**	**133,613**

Trade receivables decreased during 2021 as a result of the monthly payment of the settlement fee by YPF (USD 85.3 million during 2021) and for which USD 24.4 million is still to be received in 2022.

The contract assets mainly relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. The contract liabilities primarily relate to invoices issued in respect of vessel income (prepaid hire).

NOTE 5 - VESSEL EXPENSES

(In thousands of USD)	2021	2020
Vessel expenses crew	-23,850	-24,564
Vessel expenses maintenance	-14,136	-14,066
Vessel expenses insurance	-2,693	-3,477
Vessel expenses other	-4,389	-6,743
Vessel expenses	**-45,068**	**-48,850**

Vessel expenses are expenses made to operate a vessel and include primarily crew, maintenance, insurance and other related expenses.

In 2021, these expenses decreased primarily due to lower crew and other expenses for the TANGO FLNG and FSRU S188 as a result of their (partial) unemployment during the year, partially offset by additional operating expenses for the two new VLGCs.

NOTE 6 - GENERAL AND ADMINISTRATIVE EXPENSES

(In thousands of USD)	2021	2020
Administrative expenses	-22,637	-26,637
Office expenses	-2,438	-3,158
Travel expenses	-2,085	-1,977
IT & communication expenses	-2,073	-1,861
Fees	-6,685	-9,883
Other employee benefits	-8,738	-9,118
Insurance	-619	-640
Non-income based taxes	-1,256	-2,387
Other expenses	-643	-782
General and administrative expenses	**-24,536**	**-29,806**

General and administrative expenses decreased compared to 2020, mainly as a consequence of lower office expenses, lower fees and non-income based taxes due to less withholding taxes for TANGO FLNG.

NOTE 7 - PERSONNEL EXPENSES

(In thousands of USD)	2021	2020
Salaries and wages	-22,568	-25,214
Social security charges	-3,991	-4,586
Employee benefit, defined benefit and defined contribution plan	-789	-821
Personnel expenses	**-27,349**	**-30,622**

At year-end	2021	2020
Seagoing	1,615	1,844
Staff	234	250
Number of personnel members	**1,849**	**2,094**

The number of personnel members represents the effective number of personnel members in service per period end (including the seagoing employees of our equity accounted investees). Personnel expenses decrease in comparison with 2020, mainly as a consequence of a decreased number of personnel staff.

A significant part of EXMAR's seagoing personnel is employed on the assets held or operated by EXMAR's equity accounted investees, the related expense is not included in the personnel expenses or crew expenses disclosed above but presented as vessel expenses in EXMAR's equity accounted investees.

NOTE 8 - FINANCE INCOME / EXPENSES

(In thousands of USD)	2021	2020
Interest income on borrowings to equity accounted investees	1,508	1,888
Interest income on cash and cash equivalents	29	70
Interest income	**1,537**	**1,958**
Interest expenses on borrowings	-15,526	-17,568
Interest expenses	**-15,526**	**-17,568**

The interest income on borrowings to equity accounted investees relates to interests charged to these equity accounted investees on the borrowings provided by EXMAR and decreased as a result of lower LIBOR rates and lower outstanding balances. We refer in this respect also to Note 16 Borrowings to equity accounted investees.

Interest expenses relate to EXMAR's borrowings as disclosed in Note 24 Borrowings. The evolution in interest expenses is the combined effect of on the one hand higher borrowings (to finance the two new VLGCs) and on the other hand lower reference rates (LIBOR and NIBOR) and a lower margin on the TANGO FLNG financing from Bank of China (from 3.0% to 2.2%).

(In thousands of USD)	2021	2020
Realised exchange gains	2,237	347
Unrealised exchange gains	6,270	923
Dividend income from non-consolidated companies	16	121
Equity securities measured at FVTPL	662	0
Fair value gain on financial instruments	920	0
Other	92	116
Other finance income	**10,198**	**1,508**
Realised exchange losses	-928	-2,452
Unrealised exchange losses	-1,933	-6,085
Amortisation transaction costs	-2,674	-2,991
Banking fees	-922	-1,029
Equity securities measured at FVTPL	0	-757
Loss on sale of investments	0	-607
Other	-328	-334
Other finance expenses	**-6,785**	**-14,254**

In 2021 EXMAR recorded net exchange gains of USD 5.6 million while in 2020 EXMAR had USD -7.3 million of net exchange gain losses. This is primarily the result of the weakening of the EUR and NOK versus the USD in 2021. On the translation of the NOK bond into USD at year-end 2021, EXMAR recorded an unrealized exchange gain of USD 2.4 million, while in 2020, the translation resulted in an unrealized exchange loss of USD 2.2 million.

The profit and loss effect in respect of the equity securities measured at FVTPL relates to the equity securities as disclosed in Note 18 Other investments.

End 2021, EXMAR purchased NOK 240.0 million forwards for USD 26.3 million, which results in a fair value gain of USD 0.9 million on December 31, 2021 (see also Note 28 Financial risks and financial instruments).

In 2020, EXMAR sold 149,089 shares in Teekay LNG (TGP) for USD 1.7 million, which resulted in a loss of USD 0.6 million.

(In thousands of USD)	2021	2020
Equity accounted investees - share of other comprehensive income	618	93
Foreign currency translation differences	-1,521	5,125
Finance income/expense recognised directly in equity	**-904**	**5,218**
Recognised in:		
Translation reserve	-1,942	5,517
Hedging reserve	1,059	-320
Non-controlling interest	-20	21
	-904	**5,218**

The movement of the translation reserve is mainly the consequence of the evolution of the USD/EUR exchange rate.

In certain of our equity accounted investees, interest rate swaps (IRS) contracts were signed to cover their exposure on variable interest rates.

NOTE 9 - INCOME TAXES

(In thousands of USD)		2021		2020
Taxes current period		-1,945		-1,218
Prior year adjustments		6		198
Income taxes		**-1,939**		**-1,020**
Deferred income taxes		0		0
Income taxes		**-1,939**		**-1,020**
RECONCILIATION				
Result before income tax		**13,574**		**92,980**
Tax at domestic tax rate	**-25.00%**	**-3,393**	**-25.00%**	**-23,245**
Tax impact on share of profit of equity accounted investees		5,442		-4,457
Increase/decrease resulting from:				
Effects of tax rates in foreign jurisdictions		-4,621		24,470
Non-deductible expenses		-244		-488
Other taxes		-803		-518
Current year tax losses/ credits for which no deferred tax asset has been recognised		-10,225		-7,619
Use of tax credits, tax losses carried forward,... for which no DTA was recognised before		15,706		10,672
Unused tax losses under the Belgian tonnage tax regime		-3,429		0
Tax exempt income		-149		-30
Adjustments in respect of prior years		-223		196
Reconciliation of the effective tax rate	**-14.29%**	**-1,939**	**-1.10%**	**-1,020**

The other taxes mainly relate to local company taxes paid in EXMAR Shipmanagement Congo branch relating to NKOSSA.

NOTE 10 - VESSELS AND BARGES

(In thousands of USD) COST	Shipping	Infrastructure	Under construction - advance payments	Total
Balance as per 1 January 2020	**121,947**	**486,113**	**15,470**	**623,529**
Changes during the financial year				
Acquisitions	821	1,060	15,470	17,349
Borrowing costs	0	0	2,222	2,222
Disposals	-417	0	0	-417
Balance as per 31 December 2020	**122,350**	**487,173**	**33,163**	**642,684**
Balance as per 1 January 2021	**122,350**	**487,173**	**33,163**	**642,684**
Changes during the financial year				
Acquisitions	4,188	1,516	128,878	134,582
Borrowing costs	0	0	720	720
Reclassification	1,909	0	0	1,909
Transfers	162,761	0	-162,761	0
Balance as per 31 December 2021	**291,209**	**488,688**	**0**	**779,896**
DEPRECIATIONS AND IMPAIRMENT LOSSES				
Balance as per 1 January 2020	**18,576**	**28,348**	**0**	**46,925**
Changes during the financial year				
Depreciations	11,564	23,190	0	34,754
Disposals	-417	0	0	-417
Balance as per 31 December 2020	**29,723**	**51,539**	**0**	**81,261**
Balance as per 1 January 2021	**29,723**	**51,539**	**0**	**81,261**
Changes during the financial year				
Depreciations	13,691	15,600	0	29,291
Impairments	0	19,000	0	19,000
Reclassification	1,908	0	0	1,908
Balance as per 31 December 2021	**45,322**	**86,139**	**0**	**131,461**
NET BOOK VALUE				
Net book value as per 31 December 2020	**92,627**	**435,634**	**33,163**	**561,424**
Net book value as per 31 December 2021	**245,887**	**402,549**	**0**	**648,436**

The acquisitions in 2021 mainly relate to the two new VLGCs, FLANDERS INNOVATION and FLANDERS PIONEER for which advances of USD 33.2 million were paid in previous years. These vessels were delivered end June 2021 and September 2021 respectively and at that moment transferred to the Shipping segment (total acquisition cost of USD 162.8 million).

Additional acquisitions in 2021 at the Shipping segment related to capitalized first outfitting costs of these two new VLGCs (USD 2.9 million) and capitalized dry-dock expenses (USD 1.3 million). EXMAR also made USD 1.1 million of capital expenditures for the FSRU S188 (Infrastructure segment).

During 2020, additional investments were related to capitalized dry dock expenses (Shipping segment) and TANGO FLNG improvements (Infrastructure segment).

The vessels are pledged as a security for the related underlying liabilities. We refer to Note 24 Borrowings for more information in respect of these underlying liabilities.

In 2020, the market conditions for the pressurized feet, led management to reassess the useful life of this fleet and reduce the useful life from 30 years to 20 years (from construction date) as from 2020 onwards. This change had an impact of USD 5.4 million additional depreciation charges in 2020. Furthermore, the 2020 depreciations included the full depreciation of specific costs incurred and capitalized related to the YPF contract following the settlement of the contract (extra impact of USD 5.8 million).

Impairment

For the wholly-owned fleet, internal and external triggers are evaluated which indicate that the carrying value of the fleet should be tested for impairment. The carrying amount of the fleet is compared to the recoverable amount, which is the higher of the fair value less cost to sell and the value in use.

The fair value less costs to sell is based upon the average fair market value as determined by two independent ship brokers or recent market transactions of comparable assets. This market value is corrected with an average brokerage commission to be paid when a vessel is sold. The value in use is based upon the estimated future cash flows discounted to their present value and reflecting current market assessments relating to freight rate estimates, employment and operating expenses. The value in use model also includes assumptions taken amongst others with respect to future hire paid, contract duration and number of months interval between two contracts. The operating cash flows are based on internal information and a sensitivity analysis is performed on each assumption. The discounted cash flow model used by management includes estimated cash flows for the remaining lifetime of the wholly-owned fleet. Three-year cash flow forecasts are estimated by management based upon the past experience as well as current market expectations regarding volumes and freight rates going forward. Freight rates as well as operating expenses subsequent to this three-year period are expected to change in line with estimated inflation afterwards. The discount rate used is a weighted average cost of capital of 5.5% for the Shipping LPG segment, 6.0% for the Shipping LNG segment and 9.2% for the Infrastructure segment.

The early termination of the FSRU S188 charter agreement in April 2021 has triggered an impairment test at June 30, 2021. An impairment charge of USD 19.0 million was recorded based on the fair value less cost to sell as determined by two independent brokers, taking into account the wide variety of terms and parties under negotiation at that time. At year-end 2021, management assessed that the fair value less cost to sell is still the most appropriate basis and concluded to maintain the impairment charge of USD 19.0 million recorded as of June 30, 2021.

Management also updated the impairment testing of the currently unemployed TANGO FLNG and the fair value less cost to sell as well as the value in use exceed the carrying value. The sensitivity analysis to simulate changes in the WACC (+1%) and future hire income (-10%) shows sufficient headroom and management concluded there is no need for impairment.

For vessels under joint venture ownership, impairment triggers are evaluated in the same way as for the wholly-owned fleet. We refer to Note 14 Investments in equity accounted investees in this respect.

NOTE 11 - OTHER PROPERTY, PLANT AND EQUIPMENT

(In thousands of USD) **COST**	Land and buildings	Machinery and equipment	Furniture and movables	Total
Balance as per 1 January 2020	**3,949**	**1,398**	**4,633**	**9,980**
Changes during the financial year				
Acquisitions	0	30	162	192
Disposals	0	-1	-618	-619
Exchange differences	365	-15	141	491
Balance as per 31 December 2020	**4,314**	**1,411**	**4,319**	**10,044**
Balance as per 1 January 2021	**4,314**	**1,411**	**4,319**	**10,044**
Changes during the financial year				
Acquisitions	0	43	207	250
Disposals	0	-509	-937	-1,446
Exchange differences	-332	14	-125	-443
Balance as per 31 December 2021	**3,981**	**959**	**3,464**	**8,404**
DEPRECIATIONS AND IMPAIRMENT LOSSES				
Balance as per 1 January 2020	**3,244**	**1,241**	**3,698**	**8,183**
Changes during the financial year				
Depreciations	30	97	281	409
Disposals	0	-1	-618	-619
Exchange differences	302	-16	106	391
Balance as per 31 December 2020	**3,576**	**1,321**	**3,466**	**8,363**
Balance as per 1 January 2021	**3,576**	**1,321**	**3,466**	**8,363**
Changes during the financial year				
Depreciations	32	68	238	338
Disposals	0	-509	-687	-1,196
Exchange differences	-277	12	-109	-375
Balance as per 31 December 2021	**3,331**	**892**	**2,908**	**7,130**
NET BOOK VALUE				
Net book value as per 31 December 2020	**738**	**90**	**852**	**1,680**
Net book value as per 31 December 2021	**651**	**67**	**556**	**1,274**

NOTE 12 - INTANGIBLE ASSETS

(In thousands of USD) COST	Concessions, patents, licences
Balance as per 1 January 2020	**2,685**
Changes during the financial year	
Acquisitions	17
Disposals	-321
Exchange differences	95
Balance as per 31 December 2020	**2,475**
Balance as per 1 January 2021	**2,475**
Changes during the financial year	
Acquisitions	79
Disposals	-45
Exchange differences	-88
Balance as per 31 December 2021	**2,421**
DEPRECIATIONS AND IMPAIRMENT LOSSES	
Balance as per 1 January 2020	**2,490**
Changes during the financial year	
Depreciations	140
Disposals	-321
Exchange differences	95
Balance as per 31 December 2020	**2,403**
Balance as per 1 January 2021	**2,403**
Changes during the financial year	
Depreciations	67
Disposals	-45
Exchange differences	-85
Balance as per 31 December 2021	**2,340**
NET BOOK VALUE	
Net book value as per 31 December 2020	**73**
Net book value as per 31 December 2021	**82**

NOTE 13 - RIGHT-OF-USE ASSETS

The Group has initially applied IFRS 16 from January 1, 2019. IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments (we refer to Note 24 Borrowings in respect of right-of-use lease liabilities).

(In thousands of USD)	Property	Motor vehicles	IT equipment	Total
COST				
Balance as per 1 January 2020	**5,702**	**2,030**	**625**	**8,357**
Changes during the financial year				
Additions	1,021	0	0	1,021
Terminations	-153	-2,030	0	-2,184
Contract re-measurement/contract modification	17	0	0	17
Balance as per 31 December 2020	**6,586**	**0**	**625**	**7,211**
Balance as per 1 January 2021	**6,586**	**0**	**625**	**7,211**
Changes during the financial year				
Additions	2,897	0	92	2,990
Terminations	-2,085	0	-267	-2,352
Exchange differences	-64	0	-3	-67
Contract re-measurement/contract modification	1,340	0	0	1,340
Balance as per 31 December 2021	**8,675**	**0**	**446**	**9,121**
DEPRECIATIONS AND IMPAIRMENT LOSSES				
Balance as per 1 January 2020	**1,721**	**310**	**215**	**2,246**
Changes during the financial year				
Depreciations	1,818	0	149	1,968
Impairment	-153	-310	0	-464
Balance as per 31 December 2020	**3,386**	**0**	**364**	**3,750**
Balance as per 1 January 2021	**3,386**	**0**	**364**	**3,750**
Changes during the financial year				
Depreciations	1,487	0	181	1,668
Terminations	-2,083	0	-267	-2,351
Exchange differences	59	0	-5	54
Balance as per 31 December 2021	**2,848**	**0**	**273**	**3,121**
NET BOOK VALUE				
Net book value as per 31 December 2020	**3,201**	**0**	**260**	**3,461**
Net book value as per 31 December 2021	**5,827**	**0**	**173**	**6,000**

The increase in the net book value of the right-of-use assets by USD 2.5 million in 2021 is primarily due to new lease property lease agreements (USD 2.1 million) for the Belgian offices and the contract modification (extension lease term) of the US office lease (USD 1.3 million), partially offset by the depreciation charge of the year.

NOTE 14 – INVESTMENTS IN EQUITY ACCOUNTED INVESTEES

The change in investments in equity accounted investees can be detailed as follows:

(In thousands of USD)	2021	2020
Balance as per 1 January	**73,298**	**95,557**
Changes during the period:		
Share in profit/(loss)	21,769	-17,830
Entry in consolidation scope	0	50
Dividends	-379	-3,814
Allocation of negative net assets [(1)]	-721	-758
Exchange differences	-441	413
Changes in other comprehensive income equity accounted investees	1,059	-320
Other	93	0
Balance as per 31 December	**94,678**	**73,298**

(1) The equity accounted investees for whom the share in the net assets is negative, are allocated to other components of the investor's interest in the equity accounted investee (i.e. primarily deducted from receivables) and if the negative net asset exceeds the investor's interest, a corresponding liability is recognized only to the extent that the Group has a legal or constructive obligation. In total, an amount of USD 9.9 million (USD 10.6 million at year-end 2020) was netted in respect of negative net assets.

EXMAR has analysed the existing joint arrangements and concluded that the existing joint arrangements are all joint ventures in accordance with IFRS 11 *Joint arrangements*.

EXMAR has provided guarantees to financial institutions that granted credit facilities to her equity accounted investees. As of December 31, 2021 an amount of USD 473.8 million (2020: USD 511.1 million) was outstanding under such loan agreements, of which EXMAR has guaranteed USD 236.9 million (2020: USD 255.5 million). We refer in this respect also to Note 28 Financial risks and financial instruments. EXMAR did not incur material contingent liabilities versus its equity accounted investees. No other commitments than the earlier mentioned guarantees are provided by EXMAR to its equity accounted investees.

Following regulatory requirements or borrowing arrangements, our joint ventures or associates may be restricted to make cash distributions such as dividend payments or repayments of shareholder loans. Under the borrowing arrangements our joint ventures or associates may only make a distribution if no event of default or no breach of any covenant would result from such distribution. Under corporate law, dividend distributions are restricted if the net assets would be less than the amount of paid up capital plus any reserves that cannot be distributed.

For the fleet under joint-venture ownership, impairment triggers are evaluated in the same way as for the wholly-owned fleet. We refer to Note 10 Vessels and barges for more information in this respect. In 2020, EXMAR accounted for a share in the loss of the equity accounted investees, which is mainly explained by impairment charges on older vessels (USD 30.5 million for EXMAR's share). During 2021, impairment charges were reversed for two vessels sold and one vessel classified as held for sale at year-end (positive impact of USD 3.2 million on EXMAR's share in profit).

NOTE 15 - FINANCIAL INFORMATION EQUITY ACCOUNTED INVESTEES

EXMAR has no liabilities towards its equity accounted investees and has the following assets:

(In thousands of USD)	2021	2020
Investments in equity accounted investees:		
Joint ventures	89,308	66,167
Associates	5,370	7,131
Borrowings to equity accounted investees:		
Long-term	16,841	29,813
Short-term (or current portion of long-term)	15,407	11,500
Total	**126,926**	**114,611**

Its investments can be detailed as follows:

Joint ventures	Segment	JV partner	Description activities
AEX LNG management (liquidated in 2021)	Supporting services	Anglo-Eastern	Newbuilding supervision and LNG vessel management for third party owners
Estrela Ltd	Infrastructure	ASS	Owner of the accommodation barge NUNCE
EXMAR Gas Shipping Ltd	Shipping	TEEKAY LPG	Previously owner of the midsize vessels TOURAINE
EXMAR LPG BV	Shipping	TEEKAY LPG	Holding company for EXMAR-Teekay LPG activities
EXMAR Shipping BV	Shipping	TEEKAY LPG	Owner of 20 midsize carriers, of which two carriers under finance lease and one held for sale
Good Investment Ltd	Shipping	TEEKAY LPG	Time-charter agreement of the VLGC BW TOKYO
Monteriggioni Inc	Shipping	MOL	Owner of the LNG carrier EXCEL which was sold during 2017 - dormant since
Solaia Shipping Llc	Shipping	TEEKAY LNG	Owner of the LNG carrier EXCALIBUR

Associates	Segment	Ownership%	Description activities
Bexco NV	Supporting services	44.91%	Rope manufacturer for marine and offshore industry
Marpos NV	Supporting services	45.00%	Provides waste solutions for maritime industry
Electra Offshore Ltd	Infrastructure	40.00%	Owner of the accommodation barge WARIBOKO
Exview Hong Kong Ltd	Infrastructure	40.00%	Bareboat owner of the accommodation barge WARIBOKO
Springmarine Nigeria Ltd	Infrastructure	40.00%	Time-charter agreement for the accommodation barge WARIBOKO

	Joint ventures					Associates			
JV partner	**Teekay LPG**	**MOL**	**Teekay LNG**	**ASS**	**Anglo-Eastern**				
Ownership percentage	**50%**	**50%**	**50%**	**50%**	**50%**	**45%**	**45%**	**40%**	
Entity	**Total Teekay LPG**	**Monte-riggioni**	**Solaia Shipping**	**Estrela Ltd**	**AEX**	**BEXCO**	**Marpos**	**Total Wariboko companies**	**TOTAL**
Non current assets	621,033		30,127	13,161		6,664	355	7,630	**678,970**
Current assets	86,195	4,693	4,475	5,659		18,958	1,297	8,569	**129,846**
of which cash and cash equivalents	54,474	4,693	4,263	5,626		228	942	218	**70,444**
Non current liabilities	507,258	4,693	7,500			3,478		1,015	**523,944**
of which bank borrowings	253,137		7,500			3,063			**263,700**
of which finance leases	174,734								**174,734**
of which other borrowings	49,531								**49,531**
Current liabilities	99,777	20	11,630	1,520		11,167	676	21,057	**145,847**
of which bank borrowings	26,233		10,000			894			**37,127**
of which finance leases	32,071								**32,071**
of which other borrowings	15,000							9,848	**24,848**
Revenue	173,777		21,687	10,401		48,424	2,128	5,075	**261,492**
Depreciation and amortization	56,144		3,705	1,750		889	72	2,293	**64,853**
Impairment (reversal)	-6,400					-72		1,925	**-4,547**
Interest income	439		-7						**432**
Interest expense	21,263		1,204			155	10	1,177	**23,809**
Income tax expense	115					547	112		**774**
Profit or (loss) from continuing operations	**34,434**	**-1,247**	**11,460**	**1,708**	**182**	**2,233**	**307**	**-6,603**	**42,474**
Other comprehensive income	1,521		596						**2,117**
Total comprehensive income	**35,955**	**-1,247**	**12,056**	**1,708**	**182**	**2,233**	**307**	**-6,603**	**44,591**
Net assets (100%)	**130,049**	**-20**	**15,472**	**17,300**		**10,977**	**976**	**-4,858**	**169,896**
EXMAR share in net assets	65,025	-10	7,736	8,650		4,930	439	-1,943	**84,826**
Share in net assets of equity accounted investees on January 1, 2021	**47,086**	**614**	**1,708**	**7,796**	**-224**	**4,605**	**444**	**680**	**62,709**
Share in total comprehensive income	17,978	-624	6,028	854	91	1,003	138	-2,641	**22,827**
Dividends						-277	-103		**-379**
Foreign currency translation differences						-401	-40		**-441**
Other	-39				133				**94**
Share in net assets of equity accounted investees on December 31, 2021	**65,024**	**-10**	**7,736**	**8,650**		**4,930**	**439**	**-1,961**	**84,809**
Netting negative equity	7,908							1,961	**9,869**
Share in net assets of equity accounted investees on December 31, 2021, after netting negative equity	**72,922**		**7,736**	**8,650**		**4,930**	**439**		**94,678**

	Joint ventures					Associates			
JV partner	**Teekay LPG**	**MOL**	**Teekay LNG**	**ASS**	**Anglo-Eastern**				
Ownership percentage	**50%**	**50%**	**50%**	**50%**	**50%**	**45%**	**45%**	**40%**	
Entity	**Total Teekay LPG**	**Monte-riggioni**	**Solaia Shipping**	**Estrela Ltd**	**AEX**	**BEXCO**	**Marpos**	**Total Wariboko companies**	**TOTAL**
Non current assets	666,655		32,964	14,911		7,545	441	9,168	**731,684**
Current assets	48,100	4,778	10,087	946	334	33,551	1,212	11,031	**110,039**
of which cash and cash equivalents	*32,226*	*4,778*	*9,857*	*891*	*196*	*302*	*917*	*147*	**49,314**
Non current liabilities	613,988	3,522			750	4,353		8,208	**630,821**
of which bank borrowings	*259,370*					*3,859*			**263,229**
of which finance leases	*202,023*								**202,023**
of which other borrowings	*152,596*				*750*			*8,208*	**161,554**
Current liabilities	74,661	28	39,635	266	31	26,489	667	10,833	**152,610**
of which bank borrowings	*26,080*		*31,723*			*3,593*			**61,396**
of which finance leases	*34,575*								**34,575**
of which other borrowings								*1,500*	**1,500**
Revenue	173,341		20,006	10,448		23,395	1,851	2,747	**231,788**
Depreciation and amortization	60,296		4,754	1,755		917	73	1,897	**69,692**
Impairment (reversal)	26,939		34,000			111			**61,050**
Interest income	1,793	56	12				1		**1,862**
Interest expense	25,286		1,766			225	9	1,106	**28,392**
Income tax expense or income	6					49	72		**127**
Profit or loss from continuing operations	**-6,527**	**-45**	**-26,621**	**2,182**	**-547**	**2,053**	**198**	**-7,653**	**-36,960**
Other comprehensive income	-349		-291						**-640**
Total comprehensive income	**-6,876**	**-45**	**-26,912**	**2,182**	**-547**	**2,053**	**198**	**-7,653**	**-37,600**
Net assets (100%)	**26,106**	**1,228**	**3,416**	**15,591**	**-447**	**10,254**	**986**	**1,158**	**58,292**
EXMAR share in net assets	13,053	614	1,708	7,796	-224	4,605	444	521	**28,517**
Share in net assets of equity accounted investees on January 1, 2020	**50,525**	**637**	**15,164**	**10,191**		**3,534**	**419**	**3,742**	**84,210**
Share in total comprehensive income	-3,438	-23	-13,456	1,091	-274	922	89	-3,061	**-18,149**
Dividends				-3,486		-227	-101		**-3,814**
Foreign currency translation differences						377	36		**413**
Other					50				**50**
Share in net assets of equity accounted investees on December 31, 2020	**47,087**	**614**	**1,708**	**7,796**	**-224**	**4,605**	**444**	**681**	**62,711**
Netting negative equity	8,964				224			1,402	**10,589**
Share in net assets of equity accounted investees on December 31, 2020, after netting negative equity	**56,050**	**614**	**1,708**	**7,796**		**4,605**	**444**	**2,082**	**73,299**

NOTE 16 - BORROWINGS TO EQUITY ACCOUNTED INVESTEES

(In thousands of USD)	Shipping	Infrastructure	Supporting services	Total
As per 1 January 2020	**42,067**	**7,912**	**0**	**49,979**
New loans and borrowings	0	200	375	**575**
Repayments	-10,000	0	0	**-10,000**
Change in allocated negative net assets (1)	1,218	-236	-223	**759**
As per 31 December 2020	**33,285**	**7,876**	**152**	**41,313**
More than 1 year	23,285	6,376	152	**29,813**
Less than 1 year	10,000	1,500	0	**11,500**
As per 1 January 2021	**33,285**	**7,876**	**152**	**41,313**
New loans and borrowings	0	590	0	**590**
Repayments	-10,000	0	0	**-10,000**
Write-off	0	0	-376	**-376**
Change in allocated negative net assets (1)	1,056	-559	224	**721**
As per 31 December 2021	**24,341**	**7,907**	**0**	**32,249**
More than 1 year	16,841	0	0	**16,841**
Less than 1 year	7,500	7,907	0	**15,407**

(1) The equity accounted investees for whom the share in the net assets is negative, are allocated to other components of the investor's interest in the equity accounted investee (i.e. primarily deducted from receivables) and if the negative net asset exceeds the investor's interest, a corresponding liability is recognized only to the extent that the Group has a legal or constructive obligation. In total, an amount of USD 9.9 million (USD 10.6 million at year-end 2020) was netted in respect of negative net assets.

The activities and assets of certain of our equity accounted investees are financed through shareholder borrowings made by the Company to the respective equity accounted investees. Such long term borrowings granted are in substance part of the net investment in an associate or joint venture and any expected credit losses are accounted for before allocating negative net assets. The balances mentioned below represent the outstanding balances including netting of negative net assets.

EXMAR LPG (Shipping segment) - USD 23.3 million (2020: USD 33.3 million)

Both shareholders have granted shareholder loans to EXMAR LPG in 2013. Repayment occurs based on availability of cash and only if such repayment would not result in a breach of the covenants applicable on the bank borrowings to EXMAR LPG. The applicable interest rate on these loans amounts to three-month LIBOR plus 0.5%. During 2021, USD 10.0 million was repaid and USD 7.5 million was received in February 2022.

Electra Offshore Ltd (Infrastructure segment) - USD 7.9 million (2020: USD 7.9 million)

EXMAR Netherlands BV has granted a loan to Electra Offshore Ltd in 2016. The loan is repaid based on availability of cash but was however presented as short-term due to its maturity end 2021 and both parties are currently negotiating the extension terms. The interest rate applicable on the loan is a fixed percentage of 12.0%.

NOTE 17 - ASSETS HELD FOR SALE

(In thousands of USD)	Assets held for sale
Balance as per 1 January 2020	**11,000**
Changes during the financial year	
Impairment	-1,000
Balance as per 31 December 2020	**10,000**
Balance as per 1 January 2021	**10,000**
Changes during the financial year	
Reversal of impairment	2,500
Balance as per 31 December 2021	**12,500**

Per December 31, 2019 the aircraft was presented as asset held for sale because EXMAR intended to sell the aircraft. In 2019 and 2020, impairment losses of respectively USD 4.7 million and USD 1.0 million were recorded to reflect the market value of the asset.

Due to the COVID-19 pandemic and related world-wide travel restrictions, EXMAR experienced difficulties in selling the aircraft but a letter of intent was received end 2021. As a result, an impairment charge of USD 2.5 million was reversed and a final sales agreement was signed in February 2022.

NOTE 18 - OTHER INVESTMENTS

(In thousands of USD)	2021	2020
Unquoted shares	911	1,062
Quoted shares	938	292
Equity securities - FVTPL	**1,849**	**1,354**

The unquoted shares include 149 shares of Sibelco, acquired during 2014.

The quoted shares include 116,338 shares of Frontera Energy Corporation quoted at CAD 10.24 on December 31, 2021 (December 31, 2020: CAD 3.21).

NOTE 19 - TRADE AND OTHER RECEIVABLES

(In thousands of USD)	2021	2020
Non-current trade receivables	0	24,444
Current trade receivables (including contract assets)	46,826	100,351
Cash guarantees	199	190
Other receivables	3,047	4,058
Deferred charges and accrued income	5,081	3,036
Current trade and other receivables	55,154	107,636
Trade and other receivables	**55,154**	**132,080**
Of which financial assets (Note 28)	**48,534**	**125,865**

The decrease in trade receivables and contract assets is mainly explained by the payment of the YPF settlement fee: USD 85.3 million received in 2021 and USD 24.4 million due in 2022 in accordance with the agreed payment schedule (see also Note 4 Revenue).

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables is disclosed in Note 28 Financial risks and financial instruments. In 2021, an impairment loss of USD 1.1 million was recorded (2020: USD 0.1 million).

Deferred charges comprise expenses already invoiced relating to the next accounting year, e.g. hire, insurances, commissions, bunkers, prepaid credit facility costs. Accrued income comprises uninvoiced revenue related to the current accounting period such as interests.

NOTE 20 - TAX ASSETS AND LIABILITIES

Current tax assets and liabilities

	31 December	
(In thousands of USD)	**2021**	**2020**
Current tax assets	1,003	3,472
Current tax liabilities	1,309	5,043

The decrease in current tax assets is the result of a favorable outcome of a tax and related withholding tax dispute, which management had assessed as non-valid and for which a receivable of USD 2.0 million was recorded in previous year. This receivable and related tax payable (USD 1.0 million) were reversed and EUR 1.0 million was received in cash from the Belgian tax authorities.

The decrease in current tax liabilities is furthermore explained by the payment of tax assessments related to 2019.

Deferred tax assets and liabilities

	31 December 2021		31 December 2020	
(In thousands of USD)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Vessels	0	0	0	556
Provisions	0	84	0	84
Employee benefits	704	0	1,166	0
Financial instruments	0	230	0	0
Other	0	65	0	0
Deferred tax assets / liabilities	**704**	**379**	**1,166**	**640**
Set off of tax assets/ liabilities	-379	0	-640	0
Tax assets not recognised	-325	0	-526	0
Deferred tax assets and liabilities (net)	**0**	**0**	**0**	**0**
Deductible temporary differences	325		526	
Unused tax losses and investment tax credits	65,069		63,894	
Deferred tax assets/ liabilities not recognised	**65,394**	**0**	**64,420**	**0**

Our equity accounted investees have limited temporary differences. Deferred tax assets on tax losses at our joint ventures and equity accounted investees amounted to USD 0.7 million end 2021 (2020: USD 0.6 million) for their share, but have not been recognized. Amounts have not been included in the above overview.

Tax assets are not recognised if it is not probable that future taxable profits will be available against which the group can use the benefits therefrom or because the future taxable profits cannot be measured on a reliable basis.

The majority of the tax losses and investment tax credits do not expire in time.

NOTE 21 - RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

(In thousands of USD)	2021	2020
Restricted cash	**76,121**	**75,575**
Bank	70,834	27,967
Cash in hand	73	47
Short-term deposits	222	180
Net cash and cash equivalents	**71,130**	**28,195**

The restricted cash relates to the credit facility with the Bank of China for the TANGO FLNG and consists of 2 parts:

- **Debt service reserve account (“DSRA”)** which is linked to the employment of the TANGO FLNG and amounting to USD 66.9 million at year-end 2021. On February 26, 2020 the Bank of China released USD 40.0 million of this restricted cash (DSRA). As a consequence of the early termination of the TANGO FLNG agreements, the loan agreement with the Bank of China stipulated a replenishment of the DSRA with USD 40.0 million. Management expects that the TANGO FLNG will be under contract again within the next financial year and that consequently a large part of the DSRA will be released.
- **Debt service account (“DSA”)** which is used to service the debt repayment. Balance at year-end 2021 amounted to USD 9.2 million.

NOTE 22 - SHARE CAPITAL AND RESERVES

Share capital and share premium

Number of ordinary shares	2021	2020
Issued shares as per 1 January	59,500,000	59,500,000
Issued shares as per 31 December - paid in full	**59,500,000**	**59,500,000**

The issued shares have no nominal value. The holders of ordinary shares are entitled to dividends and are entitled to one vote per share during the General Meeting of Shareholders of the Company.

As authorized by the Extraordinary General Meeting held on September 11, 2020, the Board of Directors of EXMAR may, for a period of five years expiring in September 2025, within certain legal limits and conditions, increase the capital of EXMAR NV by a maximum amount of USD 12.0 million.

Dividends

With respect to financial year 2021, the Board of Directors proposes a gross dividend of EUR 0.08 per share to be paid to owners of ordinary shares. This dividend is subject to approval by the General Meeting of Shareholders of May 17, 2022 and has therefore not been included as a liability in EXMAR's consolidated financial statements prepared under IFRS. The financial year 2021 dividend, based on the number of shares issued, is EUR 4.8 million or a total gross dividend of USD 5.4 million.

In 2021, the Board of Directors of EXMAR proposed to the General Meeting of Shareholders a gross dividend of EUR 0.15 per share. The Shareholders meeting, held on May 18, 2021, decided to increase the dividend to EUR 0.30 per share resulting in a total dividend payable of EUR 17.9 million or USD 21.9 million.

No distribution to owners of the Company occurred during 2020.

Treasury shares

The reserve for treasury shares comprises the cost of the Company's shares held by the Group.

	2021	2020
Number of treasury shares held as of 31 December	2,273,263	2,273,263
Book value of treasury shares held (in thousands USD)	44,349	44,349
Average cost price per share (in EUR) - historical value	14.1507	14.1507

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of Group's subsidiaries which have a functional currency different than the USD reporting currency. The balance in the translation reserve is mainly impacted by the appreciation or depreciation of the EUR to the USD.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to the hedged transactions that have not yet occurred.

In certain of our equity accounted investees, interest rate swaps (IRS) contracts have been closed to cover their exposure on variable interest rates.

NOTE 23 - EARNINGS PER SHARE

	2021	2020
Result for the period, attributable to owners of the Company (in USD)	11,599,651	91,934,362
Issued ordinary shares as per 31 December	59,500,000	59,500,000
Effect of treasury shares	-2,273,263	-2,273,263
Weighted average number of ordinary shares as per 31 December	57,226,737	57,226,737
Basic earnings per share in USD	**0.20**	**1.61**

	2021	2020
Result for the period, attributable to owners of the Company (in USD)	11,599,651	91,934,362
Weighted average number of ordinary shares as per 31 December	57,226,737	57,226,737
Dilution effect of share based compensation	0	0
Weighted average number of ordinary shares including options	57,226,737	57,226,737
Diluted earnings per share in USD	**0.20**	**1.61**

As option plans 8, 9 and 10 are anti-dilutive as per December 31, 2021 and 2020 they are not included in the calculation of the diluted earnings per share.

NOTE 24 - BORROWINGS

(In thousands of USD)	Bank loans	Other loans	Lease liabilities ROU assets	Total
As of 1 January 2020	**264,102**	**119,666**	**21,665**	**405,433**
New loans and borrowings	11,581	1,221	1,021	13,823
Repayments	-62,036	0	-17,382	-79,418
Disposals right-of-use assets	0	0	-1,729	-1,729
Amortized transaction costs	2,298	693	0	2,991
Exchange differences	0	2,150	81	2,231
Movement accrued interest payable	-1,641	-88	0	-1,729
Contract re-measurement/ contract modification	0	0	17	17
As of 31 December 2020	**214,304**	**123,642**	**3,673**	**341,619**
More than 1 year	171,739	102,967	1,882	276,589
Less than 1 year	42,565	20,675	1,791	65,031
As of 31 December 2020	**214,304**	**123,642**	**3,673**	**341,619**
Shipping segment	65,363	46,292	332	111,987
Infrastructure segment	145,247	77,350	2,307	224,904
Supporting services segment	3,694	0	1,034	4,728
As of 31 December 2020	**214,304**	**123,642**	**3,673**	**341,619**
As of 1 January 2021	**214,304**	**123,642**	**3,673**	**341,619**
New loans	144,000	0	2,990	146,990
Repayments	-39,616	-22,916	-1,554	-64,086
Loan forgiveness	0	-29	0	-29
Amortized transaction costs	1,981	693	0	2,674
Exchange differences	-114	-2,352	-344	-2,810
Accrued interest payable	-831	-55	0	-886
Contract re-measurement/ contract modification	0	0	1,340	1,340
As of 31 December 2021	**319,724**	**98,983**	**6,105**	**424,812**
More than 1 year	281,413	27,659	4,745	313,816
Less than 1 year	38,311	71,324	1,360	110,995
As of 31 December 2021	**319,724**	**98,983**	**6,105**	**424,812**
Shipping segment	190,456	26,467	769	217,691
Infrastructure segment	129,265	72,517	3,013	204,795
Supporting services segment	3	0	2,323	2,326
As of 31 December 2021	**319,724**	**98,983**	**6,105**	**424,812**

Bank loans

The bank loans mainly relate to:

FLANDERS INNOVATION & FLANDERS PIONEER – USD 140.9 million

The Group obtained financing of USD 144.0 million for the two new VLGCs: FLANDERS INNOVATION starting in June 2021 (USD 72.0 million) and FLANDERS PIONEER starting in September 2021 (also USD 72.0 million) and maturing in fifteen years. The weighted average interest rate implicit in these loans amounts to 5.62%.

LPG pressurized facilities - USD 43.9 million (2020: USD 57.4 million)

In the last quarter of 2018, EXMAR refinanced its LPG pressurized fleet: five vessels were refinanced under this transaction in October 2018, one vessel in December 2018 and four vessels in April 2019. The loans are repayable in quarterly tranches and the applicable interest percentage amounts to three-month LIBOR plus 2.4%. The last repayment is foreseen in December 2025. All obligations of the borrower are guaranteed by EXMAR NV ("guarantor").

TANGO FLNG facility - USD 129.3 million (2020: USD 145.3 million)

End of June 2017, EXPORT LNG Limited (a 100% subsidiary of EXMAR NV) signed a financing agreement of USD 200.0 million with the Bank of China (BoC), Deutsche Bank and Sinosure for the financing of the TANGO FLNG. This loan has been drawn on July 27, 2017 at the time of the delivery of the TANGO FLNG. The agreement with BoC provides a repayment period of twelve years and the loan bears interest at a rate of six-month LIBOR plus 3.0% (until end June 2021) and 2.2% as from July 2021. The yearly estimated debt service amounts to USD 21.3 million. All obligations of the borrower are guaranteed by EXMAR NV ("guarantor").

There is a requirement for the owner to deposit an amount of USD 66.0 million on an escrow account (debt service reserve account). The difference with the amount of restricted cash recorded in the statement of financial position can be explained by the debt service account with Bank of China which is used to service the debt repayments and interest.

Aircraft held for sale - USD 5.6 million (2020: USD 7.9 million)

For the financing of the aircraft held for sale, a loan has been secured in February 2020 for a period of one year and an amount of USD 9.5 million at an interest of three-month LIBOR plus a margin of 2.25%. Repayments amounted to USD 300K per quarter with a balloon payment of USD 8.3 million at the end of the loan term. The loan agreement was amended in February and May 2021, whereby the loan was extended until February 2023 and the floating interest was replaced by a fixed interest of 3.16%. Payments amount to USD 466K per quarter with a remaining balloon payment of USD 3.5 million upon maturity.

Credit facilities

Revolving credit facilities – USD 0 million (2020: USD 3.7 million)

In May 2020, EXMAR obtained a revolving credit facility of EUR 18.0 million from Belgian financial institutions with maturity date February 1, 2022 at an interest rate of EURIBOR three-month plus 2.0% margin. This facility was extended until June 2024 and can be increased up to USD 30.0 million, the latter conditional of the employment of at least one of the two barges. EXMAR did not draw upon this facility per end 2021 and used USD 3.7 million end 2020.

On November 11, 2021, EXMAR signed a three-year facility agreement of up to USD 50.0 million with Sequoia Economic Infrastructure Income Fund (SEQI). The applicable interest rate is LIBOR plus a margin between 7.0% and 8.75%, depending on net leverage. The facility was not yet used in 2021, but will be used to repay part of the NOK 650.0 million bond, which matures in May 2022 (see below).

Other loans

NOK 650.0 million bond - USD 71.3 million (2020: USD 75.5 million)

The other loans relate mainly to an initial NOK 650.0 million senior unsecured bond issued by EXMAR Netherlands BV and allocated to the Infrastructure segment, with a coupon of three-month NIBOR plus 8.75% and with maturity date in May 2022. During 2021, EXMAR has repurchased a nominal amount of NOK 25.0 million or USD 2.9 million of the bond. The outstanding balance at December 31, 2021 amounts to USD 71.3 million. Additional purchases were done in 2022: see Note 36 Subsequent events.

All obligations of the issuer are guaranteed by EXMAR NV ("guarantor"). EXMAR NV has to maintain direct or indirect a 100% ownership in the issuer. The NOK interest rate exposure is not covered by any financial instrument and since end 2021 the NOK/ USD exposure is partially covered by forward contracts: EXMAR purchased NOK 240.0 million forwards for USD 26.3 million in December 2021, which results in a fair value gain of USD 0.9 million on December 31, 2021 (see also Note 8 Finance income/expenses and Note 28 Financial risks and financial instruments).

VLGC's pre-financing - USD 0 million (2020: USD 20.0 million)

During 2021, EXMAR repaid its pre-delivery financing for the two VLGCs (see above) of USD 20.0 million to Maritime Asset Partners.

Pressurized fleet - USD 26.5 million (2020: USD 26.3 million)

The other loans comprise the outstanding equity part of the JOLCO (Japanese Operating Lease with Call Option) financing, concluded at the same time as the bank loans of the pressurized fleet mentioned above and with the same end dates. Management assumes to exercise the purchase options at the end of the leases, which will then result in an additional cash out of USD 15.8 million.

Other information

In general, the borrowings held by EXMAR and its equity accounted investees are secured by a mortgage on the underlying assets owned by EXMAR and its equity accounted investees. Furthermore, different pledges and other types of guarantees exist to secure the borrowings. In addition, dividend restrictions are included as a special covenant in the terms of the bond. EXMAR shall not declare or make any dividend payment or distribution, whether in cash or in kind, that in aggregate exceed 50% of the consolidated net profit after tax (proportionate consolidation) based on the audited consolidated financial statements for the previous financial year. EXMAR has pledged financial assets as collateral for liabilities. We refer to Note 21 Restricted cash and cash and cash equivalents where the amount of restricted cash in respect of financing agreements is disclosed.

Covenants

Different debt covenants exist that require compliance with certain financial ratios. These ratios are calculated semi-annually based on EXMAR's consolidated figures in which equity accounted investees are not accounted for under IFRS 11 but still on a proportionate basis (similar to accounting policies used for segment reporting purposes). We refer to the table below for an overview of the applicable covenants.

APPLICABLE COVENANTS

Ratio	Pressurized facility	TANGO FLNG facility	Bond	Credit facilities (1)	Other (2)	Actual 31 December 2021 (3)	Actual 31 December 2020 (3)
Minimum Book equity	≥ USD 300 million	≥ USD 300 million	≥ USD 300 million	≥ USD 300 million	≥ $300m + 50% of net positive income	USD 536.5 million	USD 545.9 million
Minimum free cash	≥ USD 25 million	≥ USD 25 million	≥ USD 20 million	≥ USD 20 million	≥ USD 40 million	USD 107.1 million	USD 53.7 million
Equity ratio (Equity/Total assets)	≥ 25%	≥ 25%	NA	NA	NA (4)	45.39%	44.43%
Net Interest Bearing Debt or NIBD/equity	NA	NA	Max. 2.50	Max. 2.50	NA	0.97	0.95
Interest Coverage ratio	NA	min 2:1	min 2:1	min 2:1	NA	3.84	7.24
Working capital	min positive	min positive	min positive	min positive	min positive	USD 146.1 million	USD 129.2 million
Net financial indebtedness ratio	NA	NA	NA	< 70%	NA	49.56%	48.93%
Outstanding loan amount	70,354	129,265	71,324	-	-		

(1) Related to the new Sequoia USD facility (2021) as well as the EUR credit facility.
(2) Other included the pre-delivery financing obtained from Maritime Asset Partners (see above) and to loan amounts which are included in the proportionate consolidation but not in the equity consolidation and consequently the outstanding balance for this covenant is not included in the outstanding loan amount above. The outstanding loan amount for this covenant in our proportionate consolidation amounts to USD 8.8 million.
(3) The actual amounts presented are based on the most restrictive definitions.
(4) No longer applicable in 2021 as this covenant was related to the pre-delivery financing obtained from Maritime Asset Partners.

Explanation of the major definitions applied in the covenant calculations:

- Free cash: cash in hand (excluding pledged or blocked cash), time deposits and, in certain covenants, including undrawn credit facilities with minimum six months to maturity;
- Interest coverage ratio: EBITDA divided by net interest expense of the financial period;
- Book equity: equity excluding treasury shares and the effect of any impairment of intangible assets and the effect of fair value changes of any financial derivative;
- Net interest-bearing debt: consolidated interest-bearing financial indebtness less free cash (and in one covenant also less restricted cash used as debt collateral)
- Net interest expense interest cost (and including banking fees in certain covenants) of the Group's interest-bearing debt less interest income of the Group including dividend received from financial assets held for sale;
- Working capital: current assets less current liabilities.

As of December 31, 2021 EXMAR was compliant with all covenants with sufficient headroom. EXMAR is continuously monitoring compliance with all applicable covenants in order to meet all covenants per June 2022 and December 2022. A potential risk exist that EXMAR could not meet all of its covenants in 2022. Management is currently exploring several possibilities, such as sale of assets, debt restructuring or obtaining a waiver, to timely remedy, such as sale of assets, debt restructuring or obtaining a waiver, if needed.

Management is however confident that EXMAR will meet its covenant commitments and has therefore applied the going concern assumption. We refer to section Significant judgments and estimates for additional information.

In case of non-compliance with these covenants, early repayment of related borrowings might be required and should therefore be accounted for as short term debt.

Following steps are to be taken in accordance with applicable agreements if a breach of covenants would occur:

- Each borrower shall notify the Facility Agent of any Defaults (and the steps, if any, taken to remedy it) promptly upon becoming aware of its occurrence.
- Promptly, upon the request by the Facility Agent, the Borrower shall supply a certificate signed by two of its directors certifying that no Default is continuing, specifying the Default and the steps, if any, being taken to remedy it.

NOTE 25 - SHARE BASED PAYMENTS

The Group established a share option plan program that entitles certain employees to register for a number of shares. The share options are only exercisable after a period of three years and for employees still in service after this three year period. Each share option entitles the holder of the option to one EXMAR share.

The fair value of services received in return for share options granted are measured by reference to the exercise price of the granted share options. The estimated fair value of the services received is measured based on a binomial lattice model. The contractual life of the option is used as an input into this model.

GRANT DATE FAIR VALUE OF SHARE OPTION AND ASSUMPTIONS AT INCEPTION	Plan 10	Plan 9	Plan 8
Number of options outstanding at year-end	333,250	336,100	391,500
Fair value at grant date (in EUR)	3.21	2.32	3.36
Share price at grant date (in EUR)	9.62	10.00	11.33
Exercise price at inception (in EUR)	9.62	10.54	10.54
Expected volatility (1)	40.70%	30.60%	31.40%
Option life at inception	8 years	8 years	8 years
Maturity date	2023	2022	2021
Expected dividends	0.3 eur/y	0.3 eur/y	0.4 eur/y
Risk-free interest rate	0.53%	0.62%	1.87%

(1) The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

Plan 8 matured at the end of 2021 and the remaining 391,500 options forfeited. During 2021 and 2020 no options were exercised, nor were any new plans granted.

RECONCILIATION OF OUTSTANDING SHARE OPTIONS	2021 Number of options	2021 Weighted average exercise price	2020 Number of options	2020 Weighted average exercise price
Outstanding share options at 1 January	**1,060,850**	**10.25**	**1,396,158**	**10.92**
New options granted	0	0.00	0	0.00
Changes during the year				
Options exercised	0	0.00	0	0.00
Options forfeited	-409,000	10.52	-335,308	13.04
Outstanding share options at 31 December	**651,850**	**10.25**	**1,060,850**	**10.25**
Exercisable share options at 31 December	**651,850**	**10.08**	**1,060,850**	**10.25**

The weighted average remaining contractual life of the outstanding options at the end of December 2021, amounts to 0.89 years (2020: 1.95 years).

All plans have been fully expensed since 2018.

NOTE 26 - EMPLOYEE BENEFITS

Defined benefit plan and similar liabilities

The Group provides pension benefits for most of its employees, either directly or through a contribution to an independent fund. The pension benefits for management staff employed before January 1, 2008 are provided under a defined benefit plan. This plan is organized as a final pay program.

For the management staff employed as from January 1, 2008 the management staff promoted to management as from January 1, 2008 and the management staff who reached the age of 60, the pension benefits are provided under a defined contribution plan. Belgian defined contribution plans are subject to the Law of April 28, 2003 on supplementary pensions (WAP). According to article 24 of this law, the employer has to guarantee a fixed minimum return of 3.25% on employer contributions and of 3.75% on employee contributions and this for contributions paid until December 31, 2015. As from January 2016, the employer has to guarantee an average minimum return of 1.75% on both employer and employee contributions (as changed by the Law of December 18, 2015).

This guaranteed minimum return generally exceeds the return that is normally guaranteed by the insurer. Because the employer has to guarantee the statutory minimum return on these plans, not all actuarial and investment risks relating to these plans are transferred to the insurance company managing the plans. Therefore, these plans do not meet the definition of defined contribution plan under IFRS and have to be classified by default as defined benefit plans. An actuarial calculation has been performed in accordance with IAS 19 based on the projected unit credit method.

Employee benefits

(In thousands of USD)	2021	2020	2019	2018	2017
DEFINED BENEFIT PLANS					
Present value of funded obligations	-9,631	-10,969	-11,535	-11,697	-12,072
Fair value of the defined plan assets	9,017	9,408	8,839	7,626	7,361
Present value of net obligations	-614	-1,561	-2,696	-4,072	-4,711
BELGIAN DEFINED CONTRIBUTION PLAN WITH GUARANTEED RETURN					
Present value of funded obligations	-8,102	-9,559	-5,340	-4,703	-3,313
Fair value of the defined plan assets	7,986	9,405	6,438	4,609	3,198
Present value of net (obligations) assets	-116	-154	1,099	-94	-115
Total employee benefits	**-730**	**-1,715**	**-1,597**	**-4,166**	**-4,826**

Defined benefit plan

(In thousands of USD)	2021	2020
CHANGES IN LIABILITIES DURING THE PERIOD [1]		
Liability as per 1 January	**20,528**	**18,065**
Distributions	-1,623	-1,812
Actual employee's contributions	195	208
Interest expense	76	85
Current service cost	719	750
Actual taxes on contributions paid (excluding interest)	-128	-131
Actuarial gains/losses	-513	221
Correction paragraph 115	0	-200
Exchange differences	-1,521	3,342
Liability as per 31 December	**17,733**	**20,528**
CHANGES OF FAIR VALUE OF PLAN ASSETS [1]		
Plan assets as per 1 January	**18,813**	**15,277**
Contributions	1,232	1,261
Distributions	-1,623	-1,812
Interest income	74	83
Actual taxes on contributions paid (excluding interest)	-128	-131
Actual administration costs	-68	-69
Actuarial gain/loss	134	605
Correction paragraph 115	0	410
Exchange differences	-1,431	3,189
Plan assets as per 31 December [2]	**17,003**	**18,813**
Net defined liability as per 31 December	**730**	**1,715**

(1) The changes in pension liabilities and plan assets include both the defined benefit plans as the Belgian defined contribution plans which qualify as a defined benefit plan.
(2) The plan assets do not include any shares issued by EXMAR or property occupied by EXMAR.

(In thousands of USD)	2021	2020
EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT OR LOSS		
Current service expenses	-719	-750
Interest expense	-76	-85
Expected return on plan assets	74	83
Administration cost	-68	-69
Total pension cost recognised in the income statement (see note 7)	**-789**	**-821**
EXPENSE RECOGNISED IN OTHER COMPREHENSIVE INCOME		
Recognition of actuarial gains and losses	647	384
Total pension cost recognised in other comprehensive income	**647**	**384**

The expected employer contributions to be paid for the next financial year amount to:

(In thousands of USD)	2021	2020
EXPECTED NEXT YEAR CONTRIBUTIONS		
Best estimate of contributions expected to be paid during next year	1,142	1,285

The actuarial assumptions and average duration of the plans are detailed below:

(In weighted averages)	2021	2020
MOST SIGNIFICANT ASSUMPTIONS		
Discount rate at 31 December	0.70%	0.15%
Expected return on assets at 31 December	0.70%	0.15%
Inflation	1.90%	1.75%
Duration of defined benefit plans (in years)	9	6
Duration of the Belgian defined contribution plans (in years)	18	16

The plan assets are composed as follows:

(In thousands of USD)	2021	2020
DETAIL PLAN ASSETS INVESTMENTS		
Shares	4.0%	2.5%
Bonds & loans	89.0%	88.5%
Property investments	6.0%	8.0%
Cash	1.0%	1.0%

NOTE 27 - TRADE AND OTHER PAYABLES

(In thousands of USD)	2021	2020
Trade payables	22,990	20,868
Other payables	7,749	7,925
Deferred income	6,501	8,839
Trade and other payables	**37,241**	**37,632**
Of which financial liabilities (Note 28)	**30,681**	**28,070**

Deferred income comprises already invoiced revenue, related to the next accounting year, e.g. freight, hire,...

NOTE 28 - FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

During the normal course of its business, EXMAR is exposed to various risks as described in more detail in the Corporate Governance Statement. EXMAR is exposed to credit, interest, currency and liquidity risks and in order to hedge this exposure, EXMAR uses different financial instruments, mainly interest rate hedges situated within our equity accounted investees as well as foreign currency forward contracts.

EXMAR applies hedge accounting for all hedging relations which meet the conditions to apply hedge accounting (formal documentation and high effectiveness at inception and on an ongoing basis). Financial instruments are recognised initially at fair value. Subsequent to initial recognition, the effective portion of changes in fair value of the financial instruments qualifying for hedge accounting, is recognised in other comprehensive income. Any ineffective portion of changes in fair value and changes in fair value of financial instruments not qualifying for hedge accounting are recognised immediately in profit or loss.

Fair value & fair value hierarchy

The following table shows financial assets and financial liabilities measured at fair value, including their level in the fair value hierarchy.

(In thousands of USD) **31 DECEMBER 2021**	Level 1	Level 2	Level 3	Total
Derivative financial asset	0	920	0	920
Equity securities - FVTPL	938	911	0	1,849
Total financial assets carried at fair value	**938**	**1,831**	**0**	**2,769**
Total financial liabilities carried at fair value	0	0	0	0

(In thousands of USD) **31 DECEMBER 2020**	Level 1	Level 2	Level 3	Total
Equity securities - FVTPL	292	1,062	0	1,354
Total financial assets carried at fair value	**292**	**1,062**	**0**	**1,354**
Total financial liabilities carried at fair value	**0**	**0**	**0**	**0**

Financial instruments other than those listed above are all measured at amortized cost.

Credit risk

Credit risk policy

Credit risk is monitored closely on an ongoing basis by the Group and creditworthiness controls are carried out if deemed necessary.

At year-end no significant creditworthiness problems were noted. The largest balance in trade receivables and other receivables relates to the outstanding amount of the YPF settlement fee: USD 24.4 million end 2021 and USD 109.8 million end 2020. We refer to Note 4 Revenue for additional information. The balance of this settlement amount is payable by YPF in monthly instalments backed by a financial security issued by an investment grade counterparty.

The borrowings to equity accounted investees consist of shareholder loans to our equity accounted investees that own or operate an LPG vessel or Offshore platform. As all vessels are operational and generate income or are pledged as a security for the underlying borrowing, we do not anticipate any recoverability issues for the outstanding borrowings to equity accounted investees. The equity accounted investees for whom the share in the net assets is negative, are allocated to other components (mainly deducted from receivables) of the investor's interest in the equity accounted investee and if the negative net asset exceeds the investor's interest, a corresponding liability is recognized to the extent that the Group has a legal or constructive obligation. The term of the shareholder loans is discussed in Note 16 Borrowings to equity accounted investees of this annual report. Early 2022, USD 7.5 million was repaid.

Exposure to risk

(In thousands of USD)	2021	2020
Borrowings to equity accounted investees	32,249	41,313
Derivative financial assets	920	0
Other investments - equity instruments at FVTPL	1,849	1,354
Trade and other receivables (see Note 19)	48,534	125,865
Restricted cash	76,121	75,575
Cash and cash equivalents	71,130	28,195
Carrying amount of financial assets	**230,803**	**272,301**

The carrying amounts of the financial assets represent the maximum credit exposure.

Impairment losses

As past due outstanding receivable balances are immaterial, no ageing analysis is disclosed. During 2021, an impairment loss of USD 1.1 million was recorded (2020: USD 0.1 million) related to other receivables.

Interest risk

Interest risk policy

The interest-bearing loans are mainly negotiated with variable interest rates. In order to monitor this interest risk, the Group makes use of interest hedging instruments available on the market when management is of the opinion that it is favorable to do so. For the moment, no interest rate swaps exist within our subsidiaries. On the other hand, different interest rate swaps exist within our equity accounted investees. The Group applies hedge accounting when the conditions to apply hedge accounting are met. In case no hedge accounting is applied, the changes in fair value are recorded in the statement of profit or loss.

Exposure to risk

(In thousands of USD)	2021	2020
Total borrowings (excluding lease liabilities)	418,707	337,946
with fixed interest rate	173,079	46,346
with variable interest rate	245,628	291,599
Interest rate financial instruments (nominal amount)	0	0
Net exposure	**245,628**	**291,599**

Sensitivity analysis

In case the interest rate would increase/decrease with 50 basis points, the financial statements would be impacted with the following amounts (assuming that all other variables remain unchanged):

	2021		2020	
(In thousands of USD)	+ 50 bp	- 50 bp	+ 50 bp	- 50 bp
Variable interest rate borrowings	1,228	-1,228	1,458	-1,458
Interest rate swaps and cross-currency rate swaps	0	0	0	0
Sensitivity (net), of which	**1,228**	**-1,228**	**1,458**	**-1,458**
Impact in profit and loss	1,228	-1,228	1,458	-1,458
Impact in equity	0	0	0	0

The amount of fixed interest rate borrowings increased significantly during 2021 as a result of the new financing for the two new VLGCs (see Note 24 Borrowings).

A significant portion of EXMAR's interest income is derived from borrowings to equity accounted investees with variable interest rates. Any increase/decrease in the interest rate would result in an increase/decrease of interest income but would mainly be offset by an increase/ decrease in the interest expense recognized by the equity accounted investee for a corresponding amount. Accordingly, any increase/decrease in the variable interest rate applied on the borrowings to equity accounted investees would have no impact on the net result of the Group. Therefore, borrowings to equity accounted investees have not been included in the above sensitivity analysis.

Currency risk

The Group's currency risk is historically mainly affected by the EUR/USD ratio for manning its fleet, paying salaries and all other personnel related expenses. Furthermore, the NOK/USD evolution is also monitored closely as EXMAR Netherlands BV has an unsecured bond of NOK 650.0 million. In order to monitor the currency risk, the Group uses a range of foreign currency rate hedging instruments and forward contracts if deemed necessary. As per December 31, 2021 and 2020, no financial instrument contracts were outstanding to cover the EUR/USD. End 2021, EXMAR purchased NOK 240.0 million forwards for USD 26.3 million, which resulted in a fair value gain of USD 0.9 million (see Note 8 Finance income/expenses) No such instruments were outstanding end 2020 to cover the NOK/ USD exposure.

Exposure to risk

Exposure to currency risk, based on notional amounts in thousands of foreign currency:

(In thousands of local currency)	2021				2020			
	EUR	**NOK**	**SGD**	**ARS**	**EUR**	**NOK**	**SGD**	**ARS**
Receivables	5,845	55	27	199,458	6,558	0	1	235,374
Payables	-10,453	-7,636	-106	-30,640	-15,589	0	-2,424	-101,419
Interest-bearing loans	0	-625,391	0	0	-3,000	-650,000	0	0
Balance sheet exposure	**-4,608**	**-632,972**	**-79**	**168,818**	**-12,031**	**-650,000**	**-2,423**	**133,955**
Forward contracts		240,000						
Net exposure	**-4,608**	**-392,972**	**-79**	**168,818**	**-12,031**	**-650,000**	**-2,423**	**133,955**
In thousands of USD	-5,219	-44,558	-59	1,643	-14,763	-76,179	-1,833	1,592

Sensitivity analysis

As per December 31, 2021 an increase in the year-end EUR/USD rate of 10.0% would affect the statement of profit or loss with USD -0.5 million (2020: USD -1.5 million). A 10.0% decrease of the EUR/USD rate would impact the profit or loss statement with the same amount (opposite sign).

As mentioned above, the NOK/USD exposure on the outstanding NOK bond is partially covered by financial instrument contracts at December 31, 2021. An increase in the year-end NOK/ USD rate of 10% would affect the statement of profit or loss with USD -4.5 million for the uncovered NOK balance (at year-end 2020 no coverage and impact of USD -7.6 million). A 10.0% decrease of the NOK/ USD rate would impact the profit or loss statement with the same amount (opposite sign).

Liquidity risk

Liquidity risk policy

The Group manages the liquidity risk in order to meet financial obligations as they fall due. The risk is managed through a continuous cash flow projection follow-up, monitoring balance sheet liquidity ratios against internal and regulatory requirements and maintaining a diverse range of funding sources with adequate back-up facilities.

Different debt covenants exist that require compliance with certain financial ratios. As of December 31, 2021, EXMAR was compliant with all covenants. We also refer in this respect to Note 24 Borrowings.

Maturity analysis of financial liabilities, borrowings to equity accounted investees and financial guarantees

Our current financial liabilities such as trade and other payables are expected to be paid within the next twelve months and are therefore not included in below tables. The contractual maturities of our financial liabilities and our borrowings to equity accounted investees, including estimated interest payments, are detailed in the tables below. The contractual maturities of our financial liabilities are based on the contractual amortization tables of the facilities. The undrawn parts of our credit facilities are not included in the tables below.

The contractual maturities of our borrowings to equity accounted investees are based on the cash flow projections for future years for the EXMAR LPG shareholder's loan and the expected repayment of the loan for the Electra Offshore Ltd facility (extension and terms still under negotiation), excluding netting of negative net assets (see Note 16 Borrowings to equity accounted investees).

EXMAR has also provided guarantees to financial institutions that have provided credit facilities to her equity accounted investees. The amount that EXMAR could have to pay if the guarantee is called on, is disclosed below under financial guarantees.

(In thousands of USD) 31 DECEMBER 2021	Curr.	Interest rate	Matur.	Carrying amount	Contractual cash flows Total	< 1 year	1-2 years	2-5 years	> 5 years
Bank/other loans - pressurized fleet	USD	LIBOR+ 2.4%	2023 - 2025	-70,339	-74,827	-16,384	-19,334	-39,109	0
Bank loan - TANGO FLNG	USD	LIBOR+ 2.2%	2029	-129,265	-158,464	-21,079	-21,880	-61,334	-54,171
Bank loans VLGCs	USD	5.62%	2036	-140,927	-217,650	-13,323	-13,323	-39,465	-151,540
Bank loan - aircraft	USD	3.16%	2023	-5,658	-5,675	-1,864	-3,811	0	0
Bond	NOK	NIBOR+ 8.75%	2022	-71,324	-73,966	-73,966	0	0	0
Other loans	USD	1.0%	2022	-1,194	-1,194	-1,194	0	0	0
Lease liabilities	USD			-2,550	-2,969	-581	-507	-1,399	-481
Lease liabilities	EUR			-3,422	-3,578	-858	-833	-1,667	-220
Lease liabilities	SGD			-66	-67	-66	-1	0	0
Lease liabilities	INR			-67	-72	-48	-25	0	0
				-424,812	**-538,463**	**-129,364**	**-59,712**	**-142,975**	**-206,412**
Borrowings to equity accounted investees	USD			**32,249**	**43,774**	**18,683**	**7,609**	**17,483**	**0**
Financial guarantees	USD			**0**	**-236,918**	**-37,828**	**-124,860**	**-20,495**	**-53,734**

(In thousands of USD) 31 DECEMBER 2020	Curr.	Interest rate	Matur.	Carrying amount	Contractual cash flows Total	< 1 year	1-2 years	2-5 years	> 5 years
Bank/other loans - pressurized fleet	USD	LIBOR+ 2.4%	2023 - 2025	-83,735	-91,594	-16,529	-16,617	-58,448	0
Bank loan - TANGO FLNG	USD	LIBOR+ 3.0%	2029	-145,247	-187,967	-23,681	-23,340	-65,903	-75,043
Bank loan - aircraft	USD	LIBOR+ 2.25%	2021	-7,927	-7,959	-7,959	0	0	0
Credit facility	USD	LIBOR+ 2.0%	2022	-3,686	-3,760	-3,760	0	0	0
Bond	NOK	NIBOR+ 8.75%	2022	-76,129	-88,368	-8,148	-80,220	0	0
Other loans	USD	10.75%	2021	-20,000	-21,266	-21,266	0	0	0
Other loans	USD	1.00%	2025	-1,222	-1,283	-12	-12	-1,259	0
Lease liabilities	USD			-2,110	-2,188	-998	-940	-250	0
Lease liabilities	EUR			-1,222	-1,323	-633	-123	-368	-199
Lease liabilities	SGD			-201	-210	-134	-68	-8	0
Lease liabilities	INR			-67	-75	-29	-30	-16	0
Lease liabilities ROU assets	CNY			-73	-76	-51	-25	0	0
				-341,619	**-406,069**	**-83,200**	**-121,376**	**-126,252**	**-75,242**
Borrowings to equity accounted investees	USD			**41,313**	**57,927**	**13,882**	**11,415**	**32,630**	**0**
Financial guarantees	USD			**0**	**-255,534**	**-37,803**	**-20,203**	**-137,222**	**-60,306**

Fair values

Carrying amounts versus fair values

(In thousands of USD)	2021 FV hierarchy	Carrying amount	Fair value	2020 FV hierarchy	Carrying amount	Fair value
Borrowings to equity accounted investees	2	32,249	32,069	2	41,313	40,857
Other investments - equity instruments at FVTLP	1/2	1,849	1,849	1/2	1,354	1,354
Derivative financial asset	2	920	920		0	0
Borrowings (excluding lease liabilities)	2	-418,707	-418,720	2	-337,946	-344,785
		-383,689	**-383,882**		**-295,279**	**-302,574**

The financial assets and liabilities carried at fair value are analysed and a hierarchy in valuation method has been defined:

- Level 1 being quoted bid prices in active markets for identical assets or liabilities;
- Level 2 being inputs in other than quoted prices included in level 1 that are observable for the related assets and liabilities, either directly (as prices) or indirectly (derived from prices);
- Level 3 being inputs for the asset or liability that are not based on observable market data.

The breakdown between level 1 and 2 of the equity instruments at FVTPL is shown in the beginning of this note.

Basis for determining fair values:

- **Borrowings to equity accounted investees:** present value of future cash flows, discounted at the market rate of interest at reporting date
- **Equity instruments at FVTPL:**
  - Quoted closing bid price at reporting date for Frontera shares
  - Non-quoted closing fixing price at reporting date through a public auction via Euronext for Sibelco shares
- **Forward contracts:** present value of the difference between the forward price at reporting date and the forward price paid
- **Interest bearing loans:** present value of future cash flows, discounted at the market rate of interest at reporting date

For certain financial assets and liabilities (trade and other receivables, cash and cash equivalents, trade and other payables and lease liabilities) not carried at fair value, no fair value is disclosed because the carrying amounts are a reasonable approximation of the fair values.

NOTE 29 - LEASES

Leases as a lessee

The Group leases properties, motor vehicles and IT equipment.

(In thousands of USD) RIGHT-OF-USE ASSETS	Property	Motor vehicles	IT equipment	Total
Balance at 31 December 2020	3,201	0	260	3,461
Balance at 31 December 2021	5,827	0	173	6,000

For the full roll forward schedule in respect of the right-of-use assets including the depreciation charge for the year, we refer to Note 13 Right-of-use assets of this annual report.

The Group has several lease contracts that include extension or termination options. These options are negotiated by management to provide flexibility in managing its lease portfolio. Judgement is applied in determining whether these extension and options are reasonably certain to be exercised (see Note 1 Accounting policies).

For the maturity analysis in respect of related lease liabilities, we refer to Note 28 Financial risks and financial instruments.

Amounts recognised in profit or loss

(In thousands of USD) LEASES UNDER IFRS 16	2021	2020
Interest on lease liability	166	159
Expenses related to short-term leases and low value assets	522	454

Leases as a lessor

The Group entered into long-term time charter agreements for certain assets in its fleet. In respect of lease classification, it was judged that substantially all risks and rewards remain with the Group. As a consequence, these agreements qualify as operating leases.

Rental income recognised by the Group during 2021 was USD 41.9 million (2020: USD 50.3 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date. No variable lease payments are included. The decrease in total lease payments (at the subsidiaries) compared to 2020 can be explained by the cancellation of the FSRU S188 (10-year) contract, which was terminated in April 2021 (see also Note 4 Revenue). A new five-year charter agreement for the FSRU S188 was signed in March 2022 with GASUNIE (see Note 36 Subsequent events) and included in the 2021 table as from the expected operability at the end of the third quarter 2022. Both years include the operating lease income from the two new VLGCs: FLANDERS INNOVATION and FLANDERS PIONEER as from their (expected) start date. The table below related to the equity accounted investees only include EXMAR's share in the expected operating lease payments.

(In thousands of USD)	**2021**	**2020**
Less than one year	50,398	44,363
One to two years	46,078	44,135
Two to three years	44,460	44,135
Three to four years	44,396	44,135
Four to five years	36,797	44,135
More than five years	17,472	91,896
Total operating leases under IFRS 16 (Subsidiaries)	**239,601**	**312,799**
Less than one year	67,335	79,138
One to two years	21,554	28,848
Two to three years	17,415	12,930
Three to four years	12,553	12,930
Four to five years	5,425	12,930
More than five years	1,750	8,050
Total operating leases under IFRS 16 (equity accounted investees)	**126,031**	**154,826**

NOTE 30 - CAPITAL COMMITMENTS

As per December 31, 2021, the Group has no material outstanding capital commitments.

Per December 31, 2020 the capital commitments amounted to USD 125.3 million and related to shipbuilding contracts with Jiangnan Shipyard for two VLGCs with LPG as fuel in order to fulfil its long-term commitments towards Equinor ASA of Norway. These vessels were delivered and financed during 2021.

NOTE 31 - CONTINGENCIES

During 2021 the contingencies disclosed in the 2020 annual report evolved positively:

- As part of the arbitration commenced by Gunvor in relation to the FRSU S188 barge, EXMAR has received an interim reward. The tribunal has issued a partial final award on two preliminary issues rejecting Gunvor's application for declaratory relief. A few days after this judgment, EXMAR received a notice of early termination from Gunvor, who paid a termination fee of USD 56.8 million (see also Note 4 Revenue);
- The tax dispute of EXMAR NV related to the tax treatment of remunerations paid and amounting to USD 2.0 million has been concluded in favor of EXMAR. As management assessed this tax claim to be invalid, this has no impact on the profit and loss but EXMAR received a tax refund of approximately USD 1.1 million (see also Note 20 Tax assets and liabilities).

Several of the Group's companies are involved in a number of minor legal disputes arising from their day-to-day operations. The management does not expect the outcome of these procedures to have any material effect on the Group's financial position.

NOTE 32 - RELATED PARTIES

Ultimate controlling party

Saverex NV, the major shareholder of EXMAR NV prepares IFRS consolidated financial statements which are publicly available. Saverex NV is controlled by Mr. Nicolas Saverys (Executive chairman of the Board of Directors of EXMAR).

Transactions with controlling shareholder and with controlling shareholder related parties

Saverbel NV, controlled by Mr. Nicolas Saverys, recharged administrative expenses for KEUR 76 to the Group (2020: KEUR 73). The outstanding amount at year end amounted to KEUR 27 (2020: KEUR 26).

Saverex NV, also controlled by Mr. Nicolas Saverys, charged KEUR 750 consulting fees to the Group (2020: KEUR 0). Since March 2021, EXMAR entered into a consultancy agreement with Saverex NV for which a monthly fee of KEUR 75 is charged to EXMAR. Furthermore, Saverex charged KEUR 24 administrative expenses (2020: KEUR 0) and KEUR 235 time-charter revenue for the yacht "Douce France" to EXMAR Yachting (in 2020: KEUR 146). The amount outstanding at year-end 2021 amounted to KEUR 112 (2020: KEUR 0).

EXMAR Shipmanagement charged KEUR 26 to Saverex for ship management services in respect of the yacht "Douce France" (2020: KEUR 22). The outstanding amount at year end in respect of these services amounts to KEUR 0 (2020: KEUR 0). EXMAR Yachting charged KEUR 11 commission to Saverex in respect of this yacht (2020: KEUR 6). The outstanding amount at year end in respect of these services amounts to KEUR 0 (2020: KEUR 0).

Travel Plus invoiced KEUR 80 to Saverex and Nicolas Saverys in respect of travel services provided during 2021 (2020: KEUR 87). The outstanding amount is respect of these services amounts to KEUR 0 (2020: KEUR 1).

During 2021, an amount of KEUR 30 (2020: KEUR 54) was invoiced to Mr. Nicolas Saverys as a consequence of private expenses to be recharged. The relating outstanding amount per December 31, 2021 in respect of these services is KEUR 0 (2020: KEUR 5). An amount of KEUR 60 was invoiced to the Group regarding expenses of Nicolas Saverys. The relating outstanding amount per December 31, 2021 in respect to these services is KEUR 0.

Transactions with joint ventures and associated companies

EXMAR provides general, accounting, corporate, site supervision and ship management services to its joint ventures and associates. For these services, fees are charged based on contractual agreements between all parties involved. Below table gives an overview of the significant receivables, significant payables and the related P&L amount of services provided and received.

	31 December 2021		31 December 2020	
(In thousands of USD)	**Receivables**	**Payables**	**Receivables**	**Payables**
Ship management services	6,373	105	3,612	56
General, accounting and corporate services	0	0	0	0
Site supervision & plan approval services	0	0	0	0
Rental services	0	0	0	0

	2021		2020	
(In thousands of USD)	**Services provided P&L**	**Services received P&L**	**Services provided P&L**	**Services received P&L**
Ship management services	16,247	0	15,521	0
General, accounting and corporate services	817	0	841	0
Site supervision & plan approval services	0	0	0	0
Rental & other services	0	0	0	0

EXMAR also provides borrowings to its joint ventures and associates for which an interest income is recognised in the financial statements. We refer to Note 16 Borrowings to equity accounted investees for an overview of these borrowings and to Note 8 Finance income/expenses for the total amount of interest income.

Transactions with key management personnel

In respect of the transactions with key management personnel, we refer to the Remuneration report of 2021 which is included in this financial report (see Corporate Governance Statement). For information relating to conflicts of interests, we refer to the report Board of Directors.

Key management personnel recharged KEUR 27 expenses. The relating outstanding amount per December 31, 2021 in respect of these services is KEUR 0.

Board of Directors

(In thousands of EUR)	2021	2020
Chairman	100	26
Other members (individual amount)	50	50
Total paid	485	422

The total amount paid to the members of the Board of Directors represents the total payments to all non-executive and independent directors for the activities as members of the Board of Directors. The executive directors of EXMAR are only remunerated in their capacity as executive and not in their capacity as executive director/member of the Board.

No loans were granted to the members of the Board in 2021 nor 2020. The outstanding amount in respect of recharged private expenses to Mr. Nicolas Saverys was zero per December 31, 2021 (2020: KEUR 5).

Audit and Risk Committee

(In thousands of EUR)	2021	2020
Chairman	0	23
Other members (individual amount)	10	10
Total paid	46	49

Nomination and Remuneration Committee

(In thousands of EUR)	2021	2020
Members (individual amount)	10	10
Total paid	28	29

Executive Committee

In line with EXMAR's total reward principles, the form and level of the Company's executive remuneration are aligned to company performance and individual skills and performance. The remuneration package is composed of three main elements:

- The fixed annual remuneration;
- The short-term variable remuneration (STI – short term incentive);
- The long-term variable remuneration (LTI- long term incentive).

The level and structure of the compensation packages are aligned with market practices for similar functions at comparable companies.

End 2021, the Executive Committee consisted of four members. Customary notice periods and severance pay are provided in the agreements with the members of the Executive Committee, taking into account factors such as the position and experience of the executive manager in question, and always within the applicable legal framework.

The Board of Directors and the former CFO, Mr. Patrick De Brabandere, agreed in mutual understanding to terminate the collaboration with effective date July 1, 2021. Christine Verhaert, representing FINMORE BV, replaced him.

In February 2020, the Board of Directors and the former CFO, Mr. Miguel De Potter, agreed in mutual understanding to terminate the management agreement with Chirmont NV, represented by Mr. De Potter, under a severance payment of KEUR 300.

(In thousands of EUR) **EXECUTIVE COMMITTEE, EXCLUDING CEO**	2021	2020
Total fixed remuneration	1,355	1,438
of which for insurance and pension plan	32	64
of which value of share options	0	0
Total variable remuneration	0	92

(In thousands of EUR) **NICOLAS SAVERYS/SAVEREX**	2021	2020
Total fixed remuneration	907	734
of which for insurance and pension plan	43	145
of which value of share options	0	0
Total variable remuneration	0	196

(In thousands of EUR) **CEO**	2021	2020
Total fixed remuneration[1]	575	867
of which for insurance and pension plan	0	50
of which value of share options	0	0
Total variable remuneration	0	78

(1) 2020 includes the remuneration of the CEO (Nicolas Saverys until April 2020) and deputy CEO.

No loans were granted to the members of the executive committee in 2021 or 2020.

The total number of options (plan 8 to 10) granted to key management are as follows:

NUMBER OF SHARES GRANTED	2021	2020
Nicolas Saverys	120,000	180,000
Patrick De Brabandere	0	120,000
Jonathan Raes	0	2,500
	120,000	**302,500**

A number of key management personnel, or their close family members, hold positions in other companies that result in them having control or joint control over these companies. None of these companies transacted with the Group during the year.

NOTE 33 - GROUP ENTITIES

CONSOLIDATED COMPANIES	Country of incorporation	Consolidation method	Ownership 2021	2020
Joint ventures				
AEX LNG Management [1]	Singapore	Equity	0.00%	50.00%
Estrela Ltd	Hong Kong	Equity	50.00%	50.00%
EXMAR Gas Shipping Ltd	Hong Kong	Equity	50.00%	50.00%
EXMAR LPG BV	Belgium	Equity	50.00%	50.00%
EXMAR Shipping BV	Belgium	Equity	50.00%	50.00%
Good Investment Ltd	Hong Kong	Equity	50.00%	50.00%
Monteriggioni Inc	Liberia	Equity	50.00%	50.00%
Solaia Shipping Llc	Liberia	Equity	50.00%	50.00%
Associates				
Bexco NV	Belgium	Equity	44.91%	44.91%
Electra Offshore Ltd	Hong Kong	Equity	40.00%	40.00%
Exview Hong Kong Ltd	Hong Kong	Equity	40.00%	40.00%
Marpos NV	Belgium	Equity	45.00%	45.00%
Springmarine Nigeria Ltd	Nigeria	Equity	40.00%	40.00%
Subsidiaries				
Ahlmar Germany GmbH	Germany	Full	100.00%	100.00%
Ahlmar Shipmanagement NV [1]	Belgium	Full	0.00%	100.00%
Croxford Ltd [1]	Hong Kong	Full	0.00%	100.00%
DV Offshore SAS	France	Full	100.00%	100.00%
ECOS SRL	Italy	Full	60.00%	60.00%
EXMAR Argentina	Argentina	Full	100.00%	100.00%
EXMAR Energy Hong Kong Ltd	Hong Kong	Full	100.00%	100.00%
EXMAR Energy Netherlands BV	Netherlands	Full	100.00%	100.00%
EXMAR Energy Services BV	Netherlands	Full	100.00%	100.00%
EXMAR Export Netherlands	Netherlands	Full	100.00%	100.00%
EXMAR FSRU Hong Kong Ltd	Hong Kong	Full	100.00%	100.00%
EXMAR Holdings Ltd	Liberia	Full	100.00%	100.00%
EXMAR Hong Kong Ltd	Hong Kong	Full	100.00%	100.00%
EXMAR LPG Holding BV	Belgium	Full	100.00%	100.00%
EXMAR LNG Investments Ltd	Liberia	Full	100.00%	100.00%
EXMAR Lux SA	Luxembourg	Full	100.00%	100.00%
EXMAR Marine NV	Belgium	Full	100.00%	100.00%
EXMAR Netherlands BV	Netherlands	Full	100.00%	100.00%

CONSOLIDATED COMPANIES	Country of incorporation	Consolidation method	Ownership 2021	2020
EXMAR Offshore Company	USA	Full	100.00%	100.00%
EXMAR Offshore Ltd	Bermuda	Full	100.00%	100.00%
EXMAR Offshore Services SA	Luxembourg	Full	100.00%	100.00%
EXMAR Offshore BV	Belgium	Full	100.00%	100.00%
EXMAR Singapore Pte Ltd	Singapore	Full	100.00%	100.00%
EXMAR Shipmanagement BV	Belgium	Full	100.00%	100.00%
EXMAR Shipmanagement India Private Ltd	India	Full	100.00%	100.00%
EXMAR Shipping USA Inc	USA	Full	100.00%	100.00%
EXMAR Small Scale LPG NL BV	Netherlands	Full	100.00%	100.00%
EXMAR Small Scale LPG HK Ltd	Hong Kong	Full	100.00%	100.00%
EXMAR Small Scale LPG BE BV	Belgium	Full	100.00%	100.00%
EXMAR (UK) Shipping Company Ltd	Great-Britain	Full	100.00%	100.00%
EXMAR VLGC BV	Belgium	Full	100.00%	100.00%
EXMAR VLGC Netherlands BV (2)	Netherlands	Full	100.00%	0.00%
EXMAR Yachting BV	Belgium	Full	100.00%	100.00%
Export LNG Ltd	Hong Kong	Full	100.00%	100.00%
Franship Offshore Lux SA	Luxembourg	Full	100.00%	100.00%
Fertility Development Co. Ltd (1)	Hong Kong	Full	0.00%	100.00%
Hallsworth Marine Co.(1)	Liberia	Full	0.00%	100.00%
Internationaal Maritiem Agentschap NV	Belgium	Full	99.03%	99.03%
Laurels Carriers Inc (1)	Liberia	Full	0.00%	100.00%
Seavie Caribean Ltd Jamaica	Jamaica	Full	100.00%	100.00%
Seavie Private Ltd	India	Full	100.00%	100.00%
Tecto Cyprus Ltd	Cyprus	Full	100.00%	100.00%
Tecto Luxembourg SA	Luxembourg	Full	100.00%	100.00%
Travel Plus BV	Belgium	Full	100.00%	100.00%
Universal Crown Ltd (1)	Hong Kong	Full	0.00%	100.00%

(1) Liquidated.
(2) Incorporated.

NOTE 34 - FEES STATUTORY AUDITOR

The worldwide audit and other fees in respect of services provided by the statutory auditor or companies or persons related to the auditors, can be detailed as follows:

(In thousands of EUR)	2021	2020
Audit services	389	380
Audit related services	109	115
Tax services	31	69
Fees statutory auditor	**529**	**564**

For 2021 and 2020, the non-audit fees do not exceed the audit fees.

NOTE 35 - COVID-19

Since the first quarter of 2020, the COVID-19 pandemic significantly impacted the world economy and may continue to do so in the years to come. Many countries imposed travel bans, quarantine measures and even imposed lockdowns. The pandemic also resulted in significant volatility in the financial and commodity markets worldwide.

One of the main operational challenges was to conduct crew changes due to travel and quarantine restrictions in almost all the countries we operate. Several operational measures onshore and onboard were taken by EXMAR to ensure the safety and wellbeing of its personnel and continuity of our business operations.

The effect of the COVID-19 pandemic on the financial statements is limited with exception of the settlement of the YPF contract on TANGO FLNG in 2020 and resulting unemployment and the decreased revenue for Travel Plus in both 2020 and 2021. EXMAR continues to closely monitor the situation.

NOTE 36 - SUBSEQUENT EVENTS

End March 2022, EXMAR sold its aircraft, which was classified as held for sale.

On March 18, 2022, EXMAR announced it reached an agreement for a five-year charter for the employment of its floating storage and re-gasification barge FSRU S188 with GASUNIE LNG Holdings BV ("GASUNIE"). GASUNIE will use the FSRU S188 as floating LNG import terminal at Eemshaven in Groningen, the Netherlands, in view of the geopolitical developments currently going on in Europe and the increased emphasis of governments on the security of energy supply. The objective is to deploy the FSRU S188 and have the terminal up and running by end of the third quarter 2022.

In 2022, EXMAR Netherlands BV, bought back in total a nominal value of NOK 112.0 million of the NOK bond (ISIN NO$_0$010852767) with maturity date May 27, 2022. In total, EXMAR already bought back a nominal value of NOK 137.0 million (see also Note 24 Borrowings).

The escalating conflict in Ukraine is already causing great uncertainty to 2022 not only from a human aspect, but also in terms of the stability of global energy markets. In this context, EXMAR recently signed a charter agreement with GASUNIE (see above) and remains committed to play its role in the energy value chain with its floating solutions for the export and import of gas.

The potential impact of the war in Ukraine on EXMAR's activities is being monitored on a daily basis. We can confirm that none of our vessels are active in risk areas or under contract with parties' subject to international sanctions related to this conflict. Furthermore, utmost effort is done to manage the logistical challenges in a humane way, both on shore and offshore and, so far, no significant operational issues were noted.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The significant judgements and estimates that might have a risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to:

Update liquidity position

The liquidity position has evolved positively during 2021 amongst others because of the receipt of an early termination fee from Gunvor for the FSRU S188, the contractual monthly payments of YPF, the 2 new VLGCs put in operation under a five-year charter agreement and the sale of two older vessels (held by equity accounted investees).

The Group expects a further strengthening of its liquidity position in the next months thanks to:

- Sale of the aircraft;
- Sale of the LPG carrier BRUSSELS early January 2022;
- Monthly YPF settlement instalments with a remaining receivable balance of USD 24.4 million;
- New three-year facility agreement of up to USD 50.0 million;
- Extension of the existing revolving credit facility from EUR 18.0 million until June 2024 and increase up to EUR 30.0 million, the latter conditional upon employment of one of the barges;
- The agreement on a five-year charter with GASUNIE for the FSRU S188;
- Employment opportunities for the TANGO FLNG.

The company is of the opinion that, taking into account various management actions, its available cash and cash equivalents, its undrawn committed facilities and its projected cash flows, it has sufficient liquidity to meet its obligations for a period of at least 12 months from the authorization date of the annual report.

Going concern

The consolidated financial statements for the year ended December 31, 2021 have been prepared on a going concern basis. The main assumptions and uncertainties for EXMAR underpinning the going concern assessment relate to the liquidity position as disclosed above and to the covenant compliance after 2021.

Although EXMAR met all its financial covenants as at December 31, 2021 with sufficient headroom, compliance in the short term needs to be closely monitored. Management is currently exploring several specific possibilities such as sale of assets, debt restructuring or obtaining a waiver, to timely remedy, if necessary.

The uncertainties mentioned in the 2020 annual report have been resolved:

- The arbitration initiated by Gunvor has been resolved as a favourable outcome was received end of April 2021;
- The unsecured NOK 650.0 million bond which will expire in May 2022, will be repaid by a new three-year credit facility of up to USD 50.0 million and the remainder in cash.

Considering the elements described above the Board is confident that the Company will be able to maintain sufficient liquidities and respect its covenants and therefore it has an appropriate basis for the use of the going concern assumption. In the event the above assumptions are not timely met, there is a material uncertainty whether the Company will have sufficient liquidities for the Company to fulfil its obligations of at least twelve months from the date of authorising these financial statements.

Impairment

Management performs an impairment analysis for its fleet. We also refer to Note 10 Vessels and barges and Note 14 Equity accounted investees as disclosed in this report.

Provisions

The LNG EXCEL, owned by one of our joint ventures, was party to a lease arrangement in the UK whereby the Lessor could claim depreciation on the capital expenditures it incurred to acquire the vessel (Capital Allowances). As it is typical in these leasing arrangements, tax and change of law risks are assumed by the Lessee. Our joint venture terminated this lease arrangement in August 2013. The UK tax authorities (HMRC) have made inquiries in respect of the right to receive the Capital Allowances. Based on commercial, legal and financial considerations, our position is that the allowances were validly claimed and we have informed HMRC accordingly. However, in case of a successful challenge by the UK tax authorities of the tax treatment of the lease, we could be required to compensate the Lessor for any tax amount to be reimbursed to the tax authorities. The amount held on the joint venture company's escrow account (USD 1.7 million for EXMAR's share) had therefore been provisioned in previous years. In 2021, an additional provision was recorded for EXMAR's share of the joint venture cash balance as well as a provision for related tax and legal fees.

STATEMENT ON THE TRUE AND FAIR VIEW OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE FAIR OVERVIEW OF THE MANAGEMENT REPORT

The Board of Directors, represented by Nicolas Saverys (Chairman) and Carl-Antoine Saverys, and the Executive Committee, represented by Francis Mottrie, CEO (representing FMO BV) and Christine Verhaert, CFO (representing FINMORE BV), hereby confirm that, to the best of their knowledge,

- the consolidated financial statements for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the entities included in the consolidation as a whole, and
- the management report includes a fair overview of the important events that have occurred during the financial year and of the major transactions with the related parties, and their impact on the consolidated financial statements, together with a description of the principal risks and uncertainties they are exposed to.

STATUTORY AUDITOR'S REPORT TO THE SHAREHOLDERS' MEETING OF EXMAR NV FOR THE YEAR ENDED 31 DECEMBER 2021 - CONSOLIDATED FINANCIAL STATEMENTS

In the context of the statutory audit of the consolidated financial statements of EXMAR NV ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 19 May 2020, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2022. We have performed the statutory audit of the consolidated financial statements of EXMAR NV for 5 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 1 001 395 (000) USD and the consolidated statement of profit or loss shows a profit for the year then ended of 11 635 (000) USD.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2021 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to Note "Significant judgements and estimates" in the financial statements, which states that the main assumptions and uncertainties underpinning the going concern assessment relate to the liquidity position and covenant compliance after 2021. In preparing the financial statements, and as disclosed in this note, the board is currently exploring several specific actions in view of covenant compliance to timely remedy if necessary.

As stated in Note "Significant judgements and estimates" these matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in section "Materiality uncertainty relating to going concern", we have determined the following Key audit matter in our audit.

Key audit matters	How our audit addressed the key audit matters
Impairment of property, plant and equipment – vessels and barges • Property, plant and equipment – vessels and barges with a carrying amount of 648 436 (000) USD represent 65% of the consolidated balance sheet total as at 31 December 2021. Management's assessment of the valuation of property, plant and equipment is significant to our audit because this process is complex and requires significant management judgement. • Both the continued unemployment of Tango FLNG and the notice of early termination received for FSRU S188 in the course of 2021, represent specific indicators for potential impairment on the LNG barges. We remark that FSRU S188 and Tango FLNG represent a significant portion (around 60%) of the total carrying amount of vessels and barges as reported in the consolidated balance sheet of Exmar NV. **Reference to disclosures** We refer to the consolidated financial statements, including notes to the consolidated financial statements: note 10 – Vessels & barges. We draw specific attention to the disclosure provided in this note regarding the impairment testing for FSRU S188 and Tango FLNG. Explanation is provided around the determination of recoverable amount, being the higher of fair value less cost to sell and value in use, taking into account, amongst other, information from the ongoing negotiations to contract a new employment for Tango FLNG and FSRU S188.	• We considered the process and the internal controls implemented by management and we carried out testing relating to the design and implementation of management's controls to assess impairment indicators and perform impairment testing. • We validated for each cash generating unit if impairment indicators, as determined by IAS 36, were considered in the impairment assessment of management. • We obtained the appraisal reports from external brokers which are used by management to test for impairment indicators and to determine the fair value less costs to sell ("FVLCTS") of the vessels. • We tested management's assumptions used in the value in use ("VIU") calculations especially the most critical assumptions such as the post contract charter rates and discount rates. In challenging these assumptions, we took into account actual results, negotiated contract terms, external data, independent market reports, market conditions and potential climate change related impacts. • For Tango FLNG and FSRU S188 we have inquired management, as well as other Exmar responsible persons, on the status of the ongoing negotiations regarding future charter of the barge and inspected supporting documentation available. We furthermore involved our valuation experts in challenging the discount rate applied in the value in use calculation. • We evaluated the adequacy of the disclosures regarding the impairments of property, plant and equipment.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for 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 other realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory 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 ISA 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 financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

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

- identify and assess the risks of material misstatement of the consolidated 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 an 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 use of the going concern basis of accounting by the board of directors 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 statutory auditor's report to the related disclosures in the consolidated 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 statutory 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 financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated 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 audit committee regarding, amongst 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 the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements, the statement of non-financial information attached to the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements, the statement of non-financial information attached to the directors' report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

The non-financial information as required by article 3:32, § 2 of the Code of companies and associations, has been disclosed in the directors' report on the consolidated financial statements. This non-financial information has been established by the company in accordance with the internationally recognised framework. In accordance with article 3:80 § 1, 5° of the Code of companies and associations we do not express any opinion on the question whether this non-financial information has been established in accordance with this internationally recognised framework.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Single European Electronic Format (ESEF)

In accordance with the draft standard on the audit of the compliance of the financial statements with the Single European Electronic Format ("ESEF"), we have also performed the audit of the compliance of the ESEF format and of the tagging with the technical regulatory standards as defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 ("Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format ("digital consolidated financial statements") included in the annual financial report.

Our responsibility is to obtain sufficient and appropriate evidence to conclude that the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements as stipulated by the Delegated Regulation.

Based on our work, in our opinion, the format and the tagging of information in the digital consolidated financial statements included in the annual financial report of EXMAR NV as of 31 December 2021 are, in all material respects, prepared in accordance with the ESEF requirements as stipulated by the Delegated Regulation.

Other statements

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Zaventem.

The statutory auditor

Deloitte Bedrijfsrevisoren/
Réviseurs d'Entreprises BV/SRL
Represented by Rik Neckebroeck

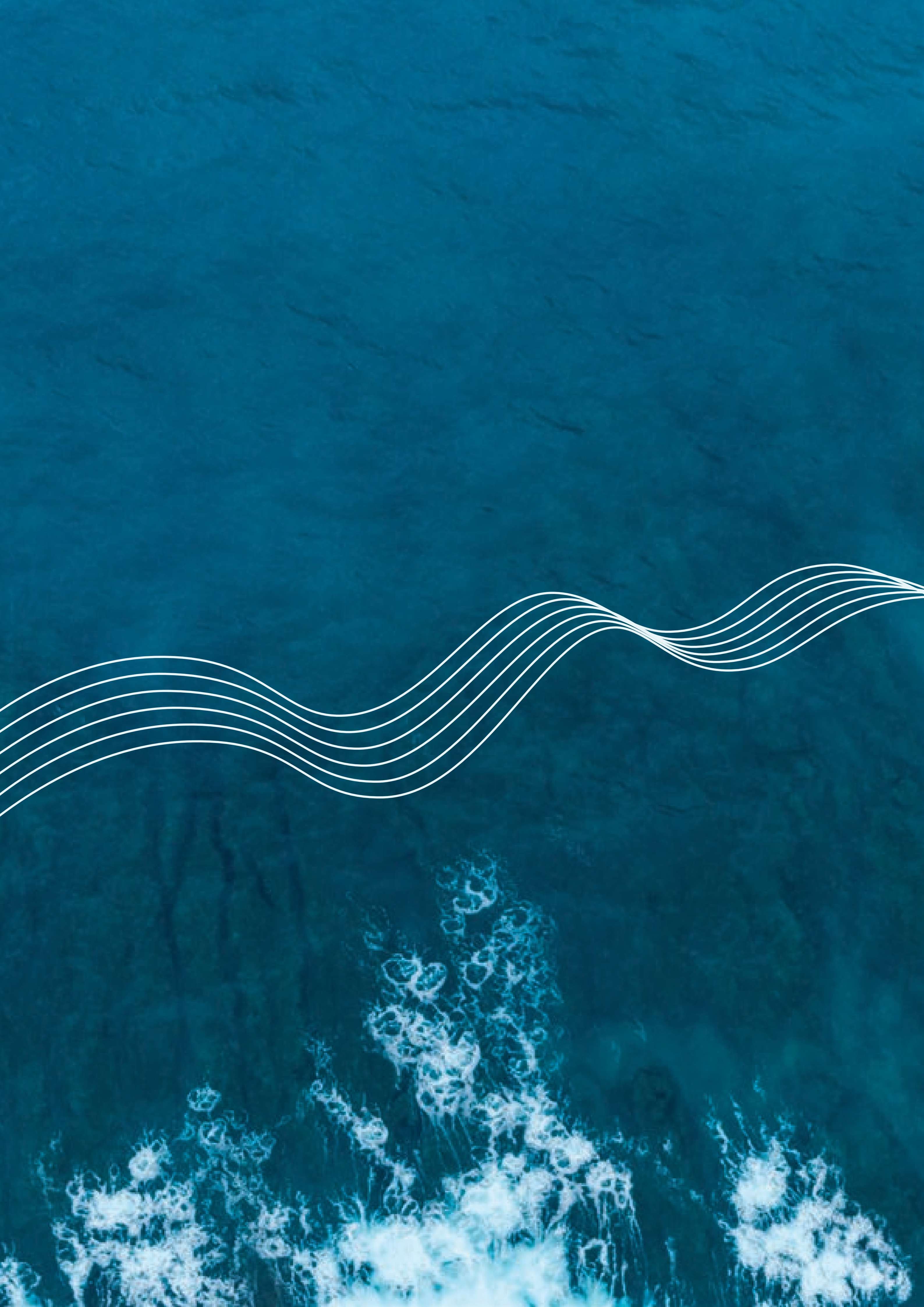
Deloitte Bedrijfsrevisoren/
Réviseurs d'Entreprises BV/SRL
Represented by Ben Vandeweyer

5.3 STATUTORY FINANCIAL STATEMENTS

The statutory accounts of EXMAR NV are disclosed hereafter in a summarised version. The full version will be filed with the National Bank of Belgium. The full version is available on the Company's website (www.exmar.be) and a copy can be obtained free of charge on request. An unqualified audit opinion has been expressed by the statutory auditor.

(In thousands of USD) **BALANCE SHEET**	31/12/2021	31/12/2020
Fixed assets	**541,853**	**609,154**
(In-)tangible assets	125	205
Financial assets	541,728	608,949
Current assets	**133,227**	**98,985**
Amounts receivable within one year	67,246	79,950
Investments	12,907	9,025
Cash and cash equivalents	52,634	9,335
Accrued income and deferred charges	440	675
Total assets	**675,080**	**708,139**
Equity	**564,214**	**598,239**
Capital	88,812	88,812
Share premium	209,902	209,902
Reserves	81,831	78,444
Accumulated profits	183,669	221,081
Provisions and deferred taxes	**9,840**	**337**
Provisions	9,840	337
Liabilities	**101,026**	**109,563**
Short-term borrowings	18,528	0
Amounts payable within one year	82,498	109,563
Total equity and liabilities	**675,080**	**708,139**

(In thousands of EUR) **STATEMENT OF PROFIT OR LOSS**	01/01/2021 31/12/2021	01/01/2020 31/12/2020
Operating income	7,865	3,295
Operating expenses	-12,371	-9,886
Operating result	**-4,506**	**-6,591**
Financial income	15,534	21,124
Financial expenses	-39,462	-98,492
Result for the year before tax	**-28,434**	**-83,959**
Income tax	-200	-13
Result for the year	**-28,634**	**-83,972**
APPROPRIATION OF RESULT		
Result to be appropriated	192,447	237,325
Transfer from/(to) capital and reserves	-3,387	5,660
Result to be carried forward	-183,669	-232,033
Distribution of result	-5,391	-21,904



6 GLOSSARY

6.1 GLOSSARY

AER	Annual Efficiency Ratio
ASBL	Association Sans But Lucratif
BCCA	Belgian Code of Companies and Associations
BOD	Board of Directors
BTX	Mixtures of benzene, toluene, and the three xylene isomers
BWMP	Ballast Water Management Plan
CBA	Collective Bargaining Agreement
cbm	Cubic meters (m^3)
CCS	Carbon capture and storage
CCU	Carbon Capture and Utilisation
CCUS	Carbon Capture, Utilisation and Storage
CDI	Chemical Distribution Institute
CII	Carbon Intensity Index
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CO_2	Carbon dioxide
COO	Chief Operating Officer
COSO	Committee of Sponsoring Organizations
DCS	IMO Fuel Oil Data Collection System
DVO	DV Offshore
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortization
ECA	Emission Control Area
EEDI	Energy Efficiency Design Index
EEXI	Energy Efficiency Existing Ship Index
EOC	Exmar Offshore Company
ESG	Environment, Social, Governance
ESI	Environmental Ship Index
ESM	Exmar Ship Management
ETS	Emission Trading Scheme
EU	European Union
FID	Final Investment Decision
FLNG	Floating Liquefaction of Natural Gas
FOC	Fuel Oil Consumption
FPS	Floating Production System
FPSO	Floating Production Storage and Offloading-unit
FSO	Floating Storage and Offloading
FSU	Floating Storage Unit
FSPO	Floating Storage Production and Offloading
FSRP	Floating Storage Regasification and Power generation
FSRU	Floating Storage and Regasification Unit
GDPR	General Data Protection Regulation
GHG	Greenhouse gas
HFO	Heavy Fuel Oil
HSEQ	Health Safety Environment and Quality
HSEEQ	Health Safety Environmental Energy and Quality
HSSEQ	Health, Safety, Security, Environment and Quality
HyMethShip	Hydrogen Methanol Ship
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IHM	Inventory of Hazardous Materials
IMO	International Maritime Organization
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization
JV	Joint venture
KPI	Key Performance Indicator

LDO	Light Diesel Oil
LGC	Large Gas Carrier
LNG	Liquefied Natural Gas
LNG/C	Liquefied Natural Gas Carrier
LNGRV	Liquefied Natural Gas Regasification Vessel
LOHC	Liquid Organic Hydrogen Carrier
LPG	Liquefied Petroleum Gas
LSFO	Low Sulphur Fuel Oil
LTI	Lost Time Injurie
M^3	Cubic metres
MAN-ES	MAN Energy Solutions SE
MARPOL	International Convention for the Prevention of Pollution from Ships
MDO	Marine Diesel Oil
MGC	Midsize Gas Carrier
MGO	Marine Gas Oil
Midsize	20,000 m^3 to 40,000 m^3
Mio	Million
MRV	Measurement, Reporting and Verification – EU Regulation No. 757/2015
MT	Metric tons
MTI	MTI Network, risk management and crisis response company
MTPA	Metric Tonnes Per Annum
MWh	Megawatt hour
NH3	Ammonia
NM	Nautical Miles
NTVRP	US Nontank Vessel Response Plan
O&M	Operations & Maintenance
OB	Order book
OCIMF	Oil Companies Marine International Forum
ODS	Ozone Depleting Substances
OPEX	Operating Expenditures
PDH	Propane DeHydrogenation
Petchems	Petrochemicals
PPM	Parts per million
PVC	Polyvinyl chloride
REBITDA	Recurring earnings before interests, taxes, depreciations and amortizations
SCR	Selective Catalytic Reduction
SEEMP	Ship Energy Efficiency Management Plan
SDG	Sustainable Development Goals
Semi-ref.	Semi-refrigerated LPG carrier
SIGTTO	Society of International Gas Tanker and Terminal Operators
SMPEP	Shipboard Marine Pollution Emergency Plan
SMS	Safety Management System
SOPEP	Shipboard Oil Pollution Emergency Plan
SRDII	Second Shareholders' Rights Directive
SRR	EU Ship Recycling Regulation No. 1257/2013
STS	Ship-to-ship cargo transfer
TC	Time charter
TCE	Time charter equivalent
TMSA	Tanker Manager and Self-Assesment
U/C	Under Construction
ULCV	Ultra Large Container Vessel
ULGC	Ultra Large Gas Carrier
UN	United Nations
UNCLOS	United Nations Convention on the Law of the Sea
USCG	United States Coast Guard
USD	United States Dollar
UV	Ultra Violet
VCM	Vinyl Chloride Monomer
VLGC	Very Large Gas Carrier
VOC	Volatile Organic Compoundsw


EXMAR