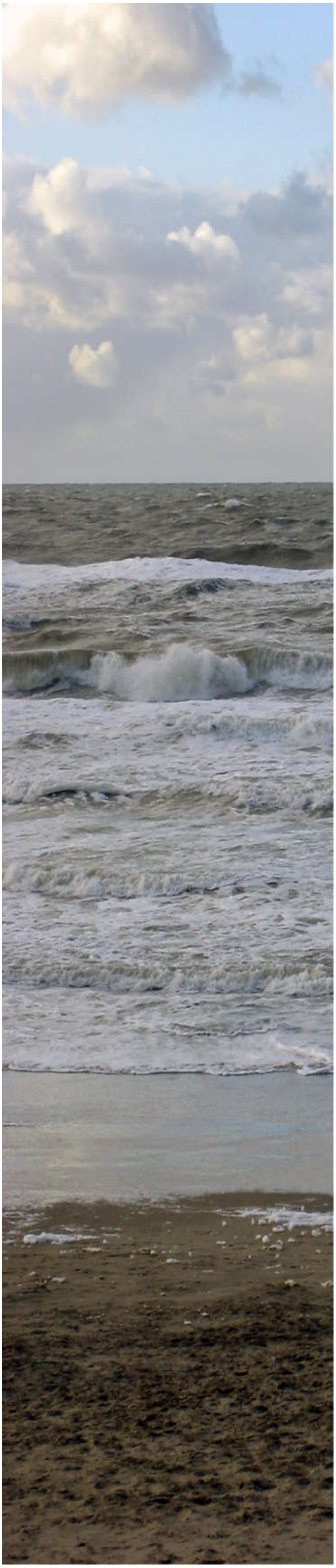

Nederlandse Beleggingsmaatschappij voor Zeeschepen NV

Annual Report 2021

Strawinskylaan 485
1077 XX Amsterdam
Phone: 020-572 01 01
Fax: 020-572 01 02
E-Mail: office@nbzfonds.nl
Website: www.nbzfonds.nl

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Report of the Supervisory Board

During 2021, the Supervisory Board ('Board') consisted of three members: Mr B. de Vries (chairman), Mr R. G. Verburgt and (following shareholders' approval at the Annual General Meeting of Shareholders dated June 10, 2021) Mrs. M. F. M. van den Berg. The chairman of the Board holds informal consultations with Annexum Beheer B.V ("Manager") on a monthly basis. The Board met ten times in the reporting period in the presence of the Manager.

The Board is guided by the interests of the company, weighing the relevant interests of the stakeholders. The Board also takes into account the social aspects of doing business that are relevant to the company. In its supervisory role, the Board focuses on achieving the company's objectives and on the proper execution of risk management, and the reporting process of the investments.

NBZ's business strategy is to invest in seagoing vessels on a long-term basis and to regularly pay out dividends. In 2021, NBZ started paying dividends in newly issued shares, unless shareholders actively apply for cash dividend.

During 2021, the Board was actively involved in the fund's strategy. The core of this strategy is to grow the fund to enhance efficiency with a lower expense ratio and a consequent improvement in earnings per share.

Fitting in with the above growth strategy, NBZ started the issuance of private notes with a coupon of 6% per annum and a term of four years. At the end of 2021, USD 725,000 was issued to private investors. NBZ aims to issue a total amount of USD 4 million to private investors. NBZ took an interest of 15% as limited partner in the CV Momentum. The sellers obtained an interest in NBZ as part of the acquisition price was compensated via the issuance of 99,428 NBZ shares.

The Manager and the Board have carefully evaluated NBZ's listing on the Amsterdam Stock Exchange and noted the following:

- The shipping industry lost most of its goodwill during 1990–2010 when numerous loss-making limited partnerships for newly build vessels were structured;
- The NBZ shares are structurally substantially trading below the intrinsic value of the company, and the liquidity of the NBZ shares is very limited.

The above considerations have led to alternative search for growth, whereby a secondary listing on the Oslo Stock Exchange is currently being investigated. A secondary listing between Euronext exchanges can be executed fairly easily and quickly without significant extra regulatory burden and costs. The Oslo Stock Exchange is by far the biggest European stock exchange for shipping companies, including twenty-four shipping listings (second to the United Kingdom with (only) three listed shipping companies).

The Board remains fully involved in reducing fund costs. In line with this, the legal structure has been further simplified in 2021 through the abolition of NBZ Norway AS.

On a quarterly basis, the Board discusses the state of affairs at NBZ on the basis of cash flow statements and interim results presented by the Manager. Part of this discussion also concerns the work performed by the Manager and the cooperation with the Manager. One of the recurring topics in these meetings is the payment of dividends. A proposal to pay out dividend needs approval by the Supervisory Board.

The Supervisory Board has discussed the current market situation extensively with the Manager, as well as the current value of the individual investments at the end of each quarter and in particular, as at 30 June and 31 December 2021. The valuation of the investments in the Norwegian and Dutch markets has been discussed at length. When discussing the current market situation and the individual investments, the strategy with regard to the sale and purchase of investments – in particular the Norwegian market – is also discussed. Factors influencing this market include the various segments of the shipping market, as well as the development of the financial markets.

New investments in 2021

- On the 17th of June 2021, NBZ bought a 3% interest for an acquisition price of USD 546,000 in Partankers Xvii AS, the Norwegian owner of two 165,000-dwt suezmax tankers. The two vessels, MT Arctic and MT Antarctic, are bareboat chartered to Tsakos Energy Navigation Ltd for a period of five years (plus three options of one year).
- On the 6th of December 2021, NBZ bought a 15% interest in FWN Momentum Shipping Company C.V. for an acquisition price of USD 1,148,000. This company is the owner of the MS Momentum, a multipurpose vessel of 10,500 dwt, built at Peters Kampen in the Netherlands. Forest Wave Navigation arranges the commercial management from the office in Groningen, the Netherlands. To limit the downside market risk, NBZ and the seller of the participation agreed a residual risk limitation during the first two years of operation. NBZ has an option to put the vessel up for sale in 2025.

Divestments in 2021

- On 10 August 2021, the MT Henrietta was delivered to the bareboat charterer Pritchard Gordon. According the bareboat charter agreement as agreed in 2015, Pritchard Gordon was obliged to purchase the vessel for a pre-agreed price at the end of the bareboat contract. The final gross return on this investment (IR), generated by NBZ amounts to 11.4% p.a.
- During 2021, all the vessels owned by Parchem III AS were sold. The MT Ilse was delivered in March 2021, the MT Cristina in October 2021 and the MT Maria in December 2021. The company has been liquidated and the final liquidation amount has been received in February 2022. The final gross return on this investment (IR) generated by NBZ amounts to 7.9% p.a.
- In June 2021, Thor Dahl Shipping AS sold the MS Thorsky and the MS Thorswind to a Norwegian entity (TDS Containerships Vi AS) and took an interest of 25% in the same Norwegian entity. The (interim) gross return on this investment, taking into account the sale and the estimated future income on the remaining partly owned vessels, amounts to 39.4% p.a.
- On 2 December 2021, the MS Vectis Eagle (owned by Super Greenship B.V.) was sold. After this sale, Super Greenship B.V.'s remaining fleet includes the MS Vectis Harrier, the MS Vectis Falcon and the MS Vectis Osprey. The interim gross return on this investment, taking into account the sale and the estimated future income on the remaining vessels, amounts to 11.5% p.a.

- The MS AS Elbia (owned by Nordic Handysize AS) was sold on 23 December 2021 (delivery January 2022). The interim gross return on this investment, taking into account the sale and the estimated future income on the remaining vessel (MS AS Elenia), amounts to 14.8% p.a.

The above movements in the NBZ portfolio are in line with NBZ's objective to invest in various shipping markets. However, at the end of 2021, the MPP segment was somewhat overweighted and the aim is to correct this during 2022. With ten investments in twenty-one ships (seven investments concern multiple ships), NBZ was active in seven market segments as at 31 December 2021. NBZ will continue its policy of investing relatively small amounts in various market segments.

Besides supply and demand analysis in the various market segments, NBZ closely monitors market developments regarding sustainability. This is important for the management of the current portfolio, for making investment decisions in new projects and sales decisions.

Dry cargo and container market

Charter rates for dry cargo vessels (bulk carriers and multipurpose vessels) increased substantially from the first months of 2021. At first, world-wide commodities trade increased substantially to a pre-corona level. Secondly, political developments (among others a trade war between China and Australia) led to a tonne-mile increase in the bulk market, resulting in a strong upward trend of the market rates. The container market had already been flourishing since the end of 2020 as a result of an increased demand for consumer goods produced in China. From the early summer of 2020, disruption of logistic chains, caused by stagnation from the hinterland, resulted in huge congestion in ports where hundreds of container vessels and bulk carriers were waiting to enter ports all over the world. This congestion in particular pushed the already booming container and dry cargo markets to the extreme levels we still see in the first quarter of 2022.

The NBZ participations in the dry cargo market – Nordic Handysize III AS, Super Greenship B.V., Forest Wave and Momentum C.V. – ensured an all-time high turnover during 2021.

At the end of 2021, the NBZ investments in the dry cargo market can be divided into:

- One handysize bulk carrier, 35,000 dwt, owned by Nordic Handysize III AS (MS AS Elenia). Ownership NBZ: 3%;
- Three multipurpose vessels (each 8,690 dwt) owned by Super Greenship B.V. (MS Vectis Falcon, MS Vectis Harrier and MS Vectis Osprey);
- Four multipurpose vessels (each 10,500 dwt) partly owned by Forest Wave Navigation related limited partnerships (MS FWN Bonafide, MS FWN Splendide, MS FWN Rapide and MS FWN Solide). Ownership NBZ: 11.8%;
- One multipurpose vessel (10,000 dwt), the MS Momentum, partly owned by private investors and by Forest Wave Navigation related limited partnerships. Ownership NBZ: 15%.

Tanker markets

The situation in the tanker market is completely different. Oil production increased during 2021, but is still not at a pre-corona level. As a result, freight rates are still below historic average levels. NBZ has participations in the crude oil tanker market, the product tanker market, the chemical tanker market and the LPG tanker market. All these markets suffered during 2021. However, with the cautious recovery of the petrochemical industry in Europe, we noticed a gradual recovery of the LPG market of vessels below 10,000 dwt where NBZ has its participations. Supply and demand expectations for the tanker market are positive for the next few years, with expected economic growth in Europe and the United States in particular, and a modest order book for new ships. On the other hand, uncertainty remains as the pandemic does not seem to be over.

Despite the gloomy market picture regarding 2021, NBZ achieved a modest positive result in the tanker market. At the end of 2021, the NBZ investments in the tanker markets can be divided into:

- Two crude oil tankers both of 165,000 dwt, the MT Antarctic and the MT Arctic, owned by Partankers XVII AS. NBZ ownership: 3%;
- One product tanker of 73,000 dwt, the MT Eagle, owned by UACC Bergshav Tanker II AS. NBZ ownership: 6.5%;
- Two chemical tankers, both of 5,800 dwt, the MTs Azra-S and Ozden-S, owned by RF Tankers AS. NBZ ownership: 7%;
- Two LPG tankers of 3,000 dwt, the MT Gas Master and the MT Gas Mariner, owned by North Sea Gas AS. NBZ ownership: 5.25%;
- One LPG tanker of 5,000 dwt, the MT Kempton, owned by Brasgas IS. NBZ ownership: 18%.

As mentioned earlier, the vessel owned by Henrietta Product DIS (one chemical tanker) and vessels owned by Parchem III AS (three chemical vessels) were sold in 2021.

The chairman of the Board is Mr B. de Vries and the two members of the Board are Mrs M. F. M. van den Berg (appointed during the General Meeting of Shareholders on the 10th of June 2021) and Mr R. G. Verburgt.

B. de Vries (male, born 1958, Dutch) is a financial advisor and chairman of the Board. He holds several other non-executive board positions, among others in three housing associations and a position within Vallianz Holdings Ltd. His expertise lies in shipping investment and banking. He was appointed to the Board in 2006 and was appointed chairman in 2014. Due to the unforeseen resignation of the Supervisory Board member Mr Koelewijn and the relatively new other Supervisory Board members, it is proposed to re-elect Mr De Vries for a term of two years.

R. G. Verburgt (male, born 1959, Dutch) is also a director and indirect shareholder of Perseverance Bulk Carriers B.V., owner of a 24% interest in NBZ as at 31 December 2021 and has many years of experience as a director and part owner of seagoing vessels. R. G. Verburgt is the CEO of Alliance Tanker Management Cooperatief U.A.

M. F. M. van den Berg (female, born 1978, Dutch) is an interim manager, advisor and trainer in the field of legal advice, risk and compliance. Previously, she was head of operations at Argenta Bank Nederland where compliance was one of her responsibilities. She is also Vice-Chair of the Supervisory Board of Qurin Diagnostics, which is developing a chip that can detect cancer in urine at an early stage using nanotechnology. Her focus areas in this position are: business operations, governance, compliance and legal affairs. Mrs van den Berg does not own any shares in NBZ.

With regard to Mrs van den Berg, Mr de Vries and Mr Verburgt, they operate independently and have no connection whatsoever with the Manager. Mrs van den Berg and Mr de Vries are not shareholders in the fund and Mr Verburgt has an indirect interest of 24% in the fund (see previous paragraph). Mr de Vries and Mr Verburgt attended all meetings of the Board and Mrs van den Berg has attended all meetings since her appointment. In the opinion of the Board, the requirements for independence as referred to in the best practice provision (BPP) 2.1.7 to 2.1.9 have been met.

Mr De Vries was appointed for a period of four years at the General Meeting of Shareholders on the 24th of May 2018. At this meeting, an evaluation took place based on a properly substantiated proposal, which was also discussed in the Board. In addition, the Supervisory Board periodically checks the composition of the Board in view of the available competencies.

The size of the organisation is very limited. This means that a separate control/audit function is not possible. In order to limit the associated risks, the administration is outsourced to a third party who independently prepares the reports. This worked well in 2021.

The Board discusses the findings of the external auditor regarding the internal control environment with the Board of Directors and the external auditor.

The General Meeting of Shareholders was held on 10 June 2021. During this meeting the 2020 annual accounts were approved and the Board was granted discharge. The Manager plays a major role in this process. The Supervisory Board notes that the management of NBZ N.V. by Annexum Beheer B.V. during 2021 has been conducted to its full satisfaction and the management of NBZ N.V. looks forward to continuing the collaboration with Annexum Beheer B.V.

Since September 2012, NBZ has been a closed-end fund, whereby new share capital can only be raised through share issues. The share price is determined on the stock exchange (Euronext) based on supply and demand. The price is quoted in euros. The market for the NBZ share was illiquid in 2021; trading volumes are limited.

In accordance with the provisions of Article 27 of the Articles of Association, the Manager has prepared the 2021 annual accounts and discussed them with the Supervisory Board. During the discussion of the draft annual accounts for 2021, the Supervisory Board considered the valuation of all relevant balance sheet positions, including the investments already discussed.

Hereby we present to you the annual report of the Nederlandse Beleggingsmaatschappij voor Zeeschepen NV. The annual report includes, among other things, the report of the Manager and the annual accounts for the financial year 2021. An unqualified auditor's report has been issued by Deloitte Accountants B.V. We advise you to adopt the annual accounts in accordance with the proposal.

We also inform you that, in accordance with the provisions of Article 29 of the Articles of Association, the Board has approved the decision of the Manager with regard to the appropriation of the result, as included in the financial statements.

Amsterdam, 26 April 2022

The Supervisory Board,

B. de Vries (Chairman)

R. G. Verburgt

M. F. M. van den Berg

Management Report 2021

Introduction

Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. (NBZ) was incorporated on March 16, 2005. The company has its registered office in Rotterdam and has had its office in Amsterdam at Strawinskylaan 485 since 1 January 2017. The company is registered with the Chamber of Commerce, number 24375220. NBZ's shares (in euros) have been listed on the Euronext since 15 November 2011. At the end of 2021, 894,071 shares or participations had been issued.

The objective of the NBZ is to create a diversified portfolio with investments in various types of seagoing vessels with long-term employment in different markets. Furthermore, each investment must comply with the investment guidelines stated in the Prospectus. NBZ aims for a dividend yield of 7% to 10%.

NBZ N.V. is managed by Annexum Beheer B.V., from which Focko Nauta is responsible for the day-to-day management of the investment portfolio.

The Supervisory Board consists of two male members and one female member. NBZ strives for a balanced division between male and female members.

Annual General Meeting of Shareholders: approval of financial statements and discharge of Management and Supervisory Board

At the Annual General Meeting of Shareholders held on 20 June 2021, the shareholders approved the 2020 financial statements and granted discharge from liability to the Management Board (the Manager) and the Supervisory Board.

Summary 2021

The year 2021 can be summarised as follows:

- An all-time high result for NBZ, generating 22% return on net asset value and 31% on average investment portfolio.
- Around 90% of total revenues came from investments in the container market and the dry cargo markets. As per 31/12/2021, these markets represent 66% of the total investment portfolio.
- Due to a change in spending patterns, demand for transportation of containers increased strongly, resulting in disruption of logistic chains and congestion, which pushed the container market and the dry cargo market to extreme levels.
- Oil production levels have not returned to pre-pandemic levels yet, resulting in a weak tanker market during 2021.
- NBZ issued 99,428 new shares at a price of EUR 5.25 per share to the sellers of the MS Momentum (USD 590,000). Furthermore, 18,771 shares were issued as stock dividend.
- NBZ announced a shares purchase programme against a weighted average share price during the offering period. Consequently, a total of 36,847 shares were purchased for EUR 3.86 per share (USD 163,000).

- NBZ started the issuance of private notes with a coupon of 6% per annum and a term of four years. At the end of 2021, USD 725,000 was issued to private investors. NBZ aims to issue a total amount of USD 4 million to private investors.

- Eight vessels partly owned by NBZ were sold or partly sold (four tankers, two container vessels and two dry cargo vessels) and three participations in vessels (two tanker and one dry cargo vessel) were purchased.

- NBZ further simplified its legal structure (and thus reduced costs) by the transfer of participations from NBZ Norway AS to NBZ NV, which was followed by the liquidation of NBZ Norway AS.

- Trading NBZ shares on the Amsterdam Stock Exchange remains problematic. Currently, DeGiro is the only platform where NBZ shares can be traded on a daily basis. This limited trading possibility seems one of the main reasons for the lack of liquidity of the NBZ shares and the big difference between the share price and the net asset value (NAV) per share. The shipping sector is not at the top of the lists of potential Dutch investors, partly due to losses in the past.

Listing on the Euronext

The current listing on the Amsterdam Stock Exchange is not functioning properly. The main reason for this is because the major banks do not have NBZ on their list of tradable shares. Banks are in a position to make their own choices which shares they wish to trade on the basis of criteria such as size and other balance sheet-related criteria. For NBZ this means that strategic choices have to be made with regard to the current listing on the Amsterdam Stock Exchange. It has also become apparent that it is difficult to bring the sector to the attention of the media in the Netherlands.

Because NBZ makes most of its investments in Norway, a lot of experience has been gained there with the shipping investors' market. The investor and media interest in the shipping sector in Norway is quite different in comparison to the situation in the Netherlands.

The two largest stock exchanges for shipping companies are the New York Stock Exchange and the Oslo Stock Exchange, both having 24 shipping companies listed. Tokyo is number three with 12 listed shipping companies. There are only two shipping-related companies listed on the Amsterdam Stock Exchange: Boskalis (dredging, offshore energy, salvage, towage) and NBZ. All major Norwegian newspapers spend multiple pages on the shipping industry every day.

The Amsterdam Stock Exchange and the Oslo Stock Exchange are both members of the Euronext Group. A secondary listing between Euronext exchanges can be executed fairly easily without significant extra regulatory burden and costs. NBZ is currently investigating such a secondary listing on the Oslo Stock Exchange. For a successful listing it will be necessary to attract one or more larger anchor investors that can support this process.

Investment result per share

The net result per share after tax, broken down into income, value adjustments and costs for the period 1 January 2016 up to and including 31 December 2021, is shown in the table below:

x USD 1.000	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Income (incl. changes in the value of investments)	2,289	461	542	747	577	444
Costs (incl. taxes)	-580	-539	-750	-493	-365	-269
Result after taxes	1,709	-78	-208	254	212	175
Number of outstanding participations at the end of the financial year	894,071	795,658	652,055	474,426	474,426	474,426
Net asset value in USD per participation at year-end	9.17	7.96	8.79	10.73	10.68	10.71
Dividend paid in USD per participation	0.53	0.24	0.36	0.48	0.48	0.48
Return to net asset value 1 year ago	21.82%	-6.67%	-14.76%	5.01%	4.17%	1.35%
Dividend yield relative to average net asset value	6.19%	2.87%	3.69%	4.48%	4.49%	4.41%
Difference from net asset value 1 year ago, taking into account dividends paid	1.74	-0.59	-1.58	0.54	0.45	0.15

NBZ's net result for 2021 amounted to USD 1.7 million, the highest result ever. The majority of the good result (90% of the income) came from the strong container and dry cargo markets. From the sale of assets, USD 765,000 was paid out in cash to NBZ, excluding a cash payment in January 2022 of USD 298,000 in relation to the sale of the bulk carrier, the MS AS Elbia.

The operating expenses were somewhat higher due to an increase in administrative and consultancy costs. The cost ratio now stands at 5.2% (2020: 7.2%), which is still too high due to a lack of economies of scale. To meet our cost ratio target (1%), we need to substantially increase the investment capacity. This is the challenge for NBZ in the years to come.

No research and development costs were incurred during the year under review.

In the period 2015–2020, NBZ always paid a quarterly dividend in cash – initially USD 0.05, but from the fourth quarter of 2015 up to and including the fourth quarter of 2019, a dividend of USD 0.12s has been paid out per quarter. As of 2020, the dividend will no longer be paid in cash as standard, unless the individual shareholder indicates that they wish to receive the dividend in cash. In addition, it was decided to pay dividends twice instead of four times a year. In the third quarter of 2021 it was decided, due to the positive market developments, to increase the dividend payment over 2021. Approximately 50% of the shareholders decided to choose a cash payment instead of newly issued shares.

Fleet composition and performance investments

NBZ started 2021 with ten investments in twenty-three vessels operating in six different market segments. By adding the acquired participations in the MT Arctic, the MT Antarctic and the MS Momentum (see below) and deducting the sold participations in the MT Henrietta, the MT Ilse, the MT Cristina, the MT Maria and the MS Vectis Eagle, NBZ ended 2021 with ten investments in twenty-one vessels spread over seven market segments, after entering the crude oil transportation market. In summary, there were the following changes in the investment portfolio during the reporting year 2021:

New investments in 2021

- On 17 June 2021, NBZ took a 3% interest for an acquisition price of USD 546,000 in Partankers XVII AS, the Norwegian owner of two suezmax tankers both of 165,000 dwt. The two vessels, MT Arctic and MT Antarctic, are bareboat chartered to Tsakos Energy Navigation Ltd for a period of five years (plus three options of one year).
- On 6 December 2021, NBZ took a 15% interest in FWN Momentum Shipping Company C.V., owner of the MS Momentum, a multipurpose vessel of 10,500 dwt built at Peters Kampen, the Netherlands. Forest Wave Navigation arranges the commercial management from the office in Groningen. To limit the downside market risk, NBZ and the seller of the participation came to an agreement regarding the limitation of the downside risk for NBZ during the first two years of operation. NBZ has an option to put the vessel up for sale in 2025.

Divestments in 2021

- On 10 August 2021, the MT Henrietta was delivered to the bareboat charterer Pritchard Gordon. According to the bareboat contract as agreed in 2015, Pritchard Gordon was obliged to purchase the vessel for a pre-agreed price at the end of the bareboat contract. The final gross return on this investment (IR) generated by NBZ amounts to 11.4% p.a.
- During 2021, all the vessels owned by Parchem III AS were sold. The MT Ilse was delivered in March 2021, the MT Cristina in October 2021 and the MT Maria in December 2021. The final gross return on this investment (IR) generated by NBZ amounts to 7.9% p.a.
- In June 2021, Thor Dahl Shipping AS sold the MS Thorsky and the MS Thorswind to a Norwegian entity (TDS Containerships Vi AS) and took an interest of 25% in this owning company. Soon afterwards, TDS Containerships Vi AS sold the MS Thorsky. The interim gross return on this investment, taking into account the sale and the estimated future income on the remaining partly owned vessels, amounts to 39.4% p.a
- On 2 December 2021, the MS Vectis Eagle (owned by Super Greenship BV) was sold. After this sale, Super Greenship BV's remaining fleet includes the MS Vectis Harrier, the MS Vectis Falcon and the MS Vectis Osprey. The interim gross return on this investment, taking into account the sale and the estimated future income on the remaining vessels, amounts to 11.5% p.a.

In addition to above fleet changes, the MV Elbia was sold just before the end of 2021. Delivery is planned in January 2022, so this vessel is still on the fleet list as at the end of 2021.

%	Market segment	Dwt	Trading area	Vessels
49%	Multipurpose (MPP)	< 12.000	Worldwide	Vectis vessels (3x), FWN vessels (4x), Momentum
8%	Dry bulk handysize	> 12.000	Worldwide	AS Elbia, AS Elenia
7%	Container-feeder	< 10.000	Worldwide	Thorswind, Thorstar
7%	Crude tankers	> 100.000	Worldwide	Arctic, Antarctic
6%	Producten tanker	> 30.000	Worldwide	Eagle
11%	Chemical tankers	< 10.000	Caribean	Ozden, Azra
12%	Gas tankers	< 10.000	Europe, America	Gas Master/Mariner, Kempton

Time charter contracts have been concluded for sixteen of the above vessels and bareboat charter contracts have been concluded for four vessels. NBZ closely monitors the relevant market segments and the contractual counterparts. This is important for the management of the current portfolio and for making investment and divestment decisions.

The above overview clearly shows how the NBZ portfolio is spread over the various market segments. NBZ is represented in the main market segments (dry cargo, containers and tankers). Within these sub-markets, the exposure in the MPP segment is currently somewhat overweighed, caused by the increased values of the three Vectis vessels and the four FWN vessels, plus the acquisition of the participation in the MS Momentum. NBZ benefitted from the increased values in the MPP and container markets generating a cash profit on the above sales (profit defined as book value year end 2021 minus sales price) of approximately USD 450,000.

Size of the total shipping market

The entire dry bulk market above 10,000 dwt plus the whole multipurpose market comprises more than 15,000 vessels. The container market includes 5,400 vessels of which 3,000 are feeders (100–3,000 TEU). Worldwide there are approximately 8,000 tankers (oil and gas) of over 10,000 dwt and 9,000 tankers (oil and gas) of less than 10,000 dwt.

Investments in the dry cargo market and the container market

NBZ’s investments in the dry cargo market can be divided into:

Eight multipurpose deep-sea vessels, divided over three ownership structures:

- Super Greenship BV ; the MS Vectis Harrier, the MS Vectis Falcon and the MS Vectis Osprey. The owner of these 8,690-dwt vessels is Super Greenship B.V., in which NBZ has a 5.6% interest. Time charter contracts have been concluded for these three ships with terms between two and twelve months.

- Forest Wave; The MS FWN Bonafide, the MS FWN Splendide, the MS FWN Rapide and the MS FWN Solide. The owners of these 10,500-dwt vessels are four separate limited partnerships. NBZ’s interest in these limited partnerships amounts to 11.8%. The four vessels have time charter contracts with World Wave Logistics B.V. (part of the Forest Wave Group) until April–June 2023. The residual value risk at the end of the investment period is limited by a put/call agreement for 50% of the total exposure.

- Momentum CV; the MS Momentum (10,000 dwt, built in the Netherlands) is owned by Momentum, C.V., in which NBZ acquired an ownership of 15% on 6 December 2021. NBZ paid an acquisition price of USD 1,148,000. Forest Wave Navigation arranges the commercial management from the office at Groningen. To limit the downside market risk, NBZ and the seller of the participation agreed a residual risk limitation during the first two years of operation. NBZ has an option to put the vessel up for sale in 2025.

Two dry bulk carriers:

- Nordic Handysize III AS; the MS AS Elbia (delivered to buyers, January 2022) and the MS AS Elenia (both of 35,000 dwt). After the initial long-term time charters for these vessels with the Danish Norden A/S ended (Q1 2020), both vessels were on medium-term time charters during 2021 until their special survey at the end of the year. The MT Elbia was sold just before year end for USD 16.7 million gross (delivery January 2022). The MS Elenia is on time charter for a year until the beginning of 2023 at a gross rate of USD 21,750 per day. NBZ has an interest of 3% in the vessel.

Two container feeders:

- Thor Dahl Shipping AS; MS Thorswind and the MS Thorstar. NBZ has a participation in Thor Dahl Shipping AS of 3.52%, is indirectly owner of 25% of the MS Thorswind (2,200 TEU) and 34% of the MS Thorstar (2,800 TEU). These two vessels are on time charters that were closed during 2021 and are therefore both benefitting for another two to three years from the booming market. The MS Thorswind is on time charter for USD 20,000 per day until mid-2023 and the MS Thorstar is on time charter for USD 34,500 per day until November 2024.

Dry cargo market and the container market

Charter rates for dry cargo vessels (bulk carriers and multipurpose vessels) increased substantially from the first months of 2021. The background was initially a number of interrelated factors. First of all, worldwide commodities trade increased substantially to a pre-corona level. Additionally, political developments (among others a trade war between China and Australia) led to a tonne-mile increase in the bulk market, resulting in a strong upward trend of the market rates. From the early summer of 2020, disruption of logistic chains, caused by stagnation from the hinterland, resulted in huge congestion in ports where hundreds of container vessels and bulk carriers were waiting to enter ports all over the world. This congestion in particular pushed the already booming container and dry cargo markets to the extreme levels which we still notice in the first quarter of 2022.

The main index in the bulk market (Baltic Dry Index – BDI) increased from 1,374 at the beginning of the year to 2,217 at the end of December 2021; in between (October), the BDI passed a level of 3,500. The reason for the booming market is on the supply side, where a substantial part of the fleet is waiting to enter the port instead of sailing over the oceans. One year, time charter rates for handysize bulk carriers were on average USD 20,800 per day (2020: USD 9,300). Also, prices for second-hand handysize bulk carriers more than doubled. The fundamentals of the handysize bulk market (NBZ: MS Elbia) are promising, taking into account a modest order book of 4.5%, in combination with a relatively high age profile.

The multipurpose market (MPP) improved substantially as these vessels can carry containers, bulk and project cargo. NBZ has participations in eight MPP vessels owned by three different entities: Super Greenship, Forest Wave and Momentum. This market is less volatile than the bulk market, however charter rates for the NBZ type vessels also increased substantially, by more than 50%. The MPP order book is low (4%), and the age profile is on the high side. Once the congestion situation normalises, we expect the dry cargo markets to decrease to a steady, healthy level.

The container market had already been flourishing since the end of 2020 as a result of an increased demand for consumer goods produced in China. Congestion pushed the market further upwards to levels we have hardly seen over the last twenty-five years. Waiting times to berth have been more than doubled in the Far East and Europe, but especially in the USA (Long Beach and Los Angeles), where it has got out of hand with waiting times of well over thirty days. NBZ has participations in the large feeder segment (NBZ: MS Thorswind and MS Thorstar). One-year time charter rates and market values have more than tripled. For the longer term we are not too optimistic, taking into account the increased order book (23%), especially in the larger segment above 17,000 TEU (36%).

Investments in the tanker market

NBZ's investments in the tanker market can be divided into:

- Partankers XVII IS; MT Antarctic and MT Arctic, two suezmax tankers of 165,000 dwt. Both vessels are on a five-year bareboat contract to Tsakos Energy Navigation Ltd (NYSE listed) for a period of five years plus three-year options. NBZ owns 3% of the company owning these vessels.

- UACC Bergshav II DIS; MT Eagle, a 73,000-dwt product tanker (MT Eagle). At the end of 2017, a five-year bareboat charter contract was concluded with United Arab Chemical Carriers (UACC). During 2021 UACC was taken over by United Overseas Group, which is now the bareboat counterpart. This contract includes put and call options. The residual value is currently valued at the put price. The NBZ interest amounts to 6.5%.

- RF Tankers AS; MT Azra-S and the MT Ozden-S, two chemical tankers of 5,800 dwt. Both vessels are on a one year time charter to Christiania Shipping AS as from April-May 2022. NBZ has an ownership of 7% in these two vessels.

- Brasgas IS; MT Kempton, a 5,000-dwt LPG carrier. This vessel is on a seven-year bareboat contract until December 2025 to Transgas, Peru. The bareboat contract includes a put option at the end of the bareboat contract. NBZ owns 18% of this vessel.

- North Sea Gas AS; MT Mariner and the MT Master, both 3,000-dwt LPG vessels. These vessels are operated by B-Gas A/S, Copenhagen. As at the end of 2021, NBZ owns 5.25% of NGC Ltd, the owner of these vessels.

Tanker market

NBZ's investments in the tanker market are spread over the crude oil tanker market, the product tanker market, the chemical tanker market and the gas tanker market. The situation in the tanker market is markedly different in comparison to the dry cargo market. First of all, congestion does not play any role within the tanker market as distribution to and from oil terminals is not being disturbed at all. Secondly, the main driver of the market – the world oil production – has pushed the market downwards, contrary to the dry cargo market, where demand increased during the corona crisis, thus securing a strong market even without the congestion element.

Oil production has not yet returned to pre-pandemic levels, resulting in low freight rates. Following the decline at the beginning of the corona crisis in 2020 (minus 6–7%), we are currently on the way back to the pre-corona level, expected to be reached in 2022 (*Clarksons Research, January 2022*). NBZ's participations in the crude oil market and the product market will benefit from this development. Supply and demand expectations for the tanker market are positive for the next few years, with expected economic growth in Europe and the United States in particular, and a modest order book for new ships.

With the cautious recovery of the petrochemical industry in Europe, we notice a gradual recovery of the LPG market in the segment where NBZ has its participations (i.e. vessels below 10,000 dwt). In the chemical tanker market, NBZ has interests in the smaller segment, where the recent declines have been smaller than in the larger segment.

Newbuilding market

Shipyards have been busy taking new orders in the container market and gas (LNG) market. The number of newbuilding orders in the bulk market increased, but the total order book is still manageable with approximately 7% of the total fleet. Prices for new vessels substantially increased due to the container vessel owners taking a large part of the limited yard capacity. Secondly, new propulsion systems reducing CO_2 emissions are pushing prices upwards. Currently, approximately 34% of the newbuilding orders include alternative fuel engines.

Valuation methodology

In December 2021, an assessment of the expected future cash flows and – to the extent possible – of the financial position of the shipping companies concerned was prepared, based on the information available for each individual investment. Although every effort has been made to obtain a complete picture of the future cash flow, it remains uncertain by its nature. In the absence of usable market quotations, the net present value method is used for the valuation of the investments in loans and investments in participations in ships, whereby the future cash flows are estimated as accurately as possible.

When applying the aforementioned method, the expected future cash flows are discounted at a percentage that best reflects the risk profile of the investment at the time of valuation. This method was introduced during the 2009 financial year and further refined in the following years. NBZ has examined the current value of the investments on a quarterly basis and as often as circumstances have given rise to do so, and revised them if necessary. Under all circumstances, this remains a top priority for the Manager. The risk factors associated with an investment in NBZ units are described in the prospectus of December 2019.

NBZ investments 2005–2021

Since its inception, NBZ has invested in forty-one different vessels:

- Investments that generated a profit were investments in the following sixteen motor vessels:

Gas Pioneer, Adnan, Halil, Venere, Tapatio, Cable Innovator, Wincanton, Lesley, Svetlana, Michelle, Henrietta, Thorsky, Caribe Ilse, Caribe Cristina, Caribe Maria and Vectis Eagle

- Investments that generated a loss were investments in the following five motor vessels:

Star I, Rayben Star, Atagun, Merwesingel and Merweplein

- The current investments as at 31 December 2021 are in the following twenty motor vessels:

Eagle, AS Elbia, AS Elenia, Gas Master, Gas Mariner, Thorswind, Thorstar, Azra-S, Ozden-S, Vectis Harrier, Vectis Falcon, Vectis Osprey, Kempton, FWN Bonafide, FWN Splendide, FWN Rapide and FWN Solide, Arctic, Antarctic, Momentum.

All current investments are performing within the agreed margins.

Sustainability

Sea-going transport is responsible for 2.5% of the global CO_2 emissions. Initially, the International Maritime Organisation (IMO) took responsibility in launching their strategy for reduction of CO_2, setting goals on a reduction of the average carbon intensity of 40% by 2030 and 70% by 2050 compared to 2008 levels. The industry's total CO_2 emissions are to be reduced by 50% by 2050.

The above strategy has been criticised by regional and national lawmakers, who are demanding a quicker energy transaction and are driven by a changing climate of public opinion, which is more and more supported by financiers and charterers.

Currently around 12% of the newbuilds ordered have alternative fuel systems with LNG leading the way and methanol systems strengthening their position (Maersk recently ordered 12 methanol dual-fuel newbuilds). For NBZ with its focus on secondhand tonnage, the new regulation for existing vessels, the Energy Efficient Existing Ship Index (EEXI) will become effective from 1 January 2023. This is a one-off requirement that requires existing ships to modify their design (or implement an alternative measure) to reach a required level of technical efficiency.

The IMO also adopted (also effective from 1 January 2023) the Carbon Intensity Indicator (CII) regulation, a mandatory regulation which imposes annual targets on ships for reducing their operational emissions. Each year from 2023, every ship needs to calculate and report its Carbon Intensity Indicator. The first reporting period is from I January 2023 to 31 December 2023. So by early 2024, the ship should have reported their first CII rating for 2023, which will be verified and reported to the ship's administration. This will be compared against the required annual operational CII and each ship will then get a rating from A to E. The reporting will be recorded in the Ship's Energy Efficiency Management Plan (SEEMP). Each ship needs to achieve a C rating or above. If a ship gets a D rating for three consecutive years, or the ship gets an E rating, then it will have to include an approved corrective action plan as part of its SEEMP to demonstrate how it will achieve a C rating or above, as a prerequisite to getting its Annual Statement of Compliance. This will need to be kept on board along with the other certificates.

One of the ways to apply the above regulation is to decrease the speed of the vessel. It is expected that this will have a significant impact on the total fleet capacity and will accelerate the scrapping of old tonnage.

The above regulation only applies to vessels over 5,000 dwt. For this reason, the current CII regulation is criticised by international shipping organisations, among others the Dutch Shipowners association, because almost 26 million tonnes of CO_2 will not be covered by this regulation.

NBZ ambitions

The main ambitions of NBZ are:

- expansion of the capital base to improve economies of scale and obtain more influence on the investment level (sales triggers);
- improvement of trading possibilities of the shares and maintaining a dividend payment of at least 8–10% over the share price.

As the current listing on the Amsterdam Stock Exchange is not functioning properly, NBZ is seriously considering a second listing on the Oslo Stock Exchange. NBZ strongly believes that the investment climate for shipping in Norway is more sophisticated and focused than in the Netherlands. The advantage of such dual listing is that the current reporting system to the Dutch authorities can be maintained, so investments in the current infrastructure are limited. NBZ will continue to keep an eye on costs, but to be able to follow up on the ambitions, investments will also have to be made in strengthening the team. NBZ will inform stakeholders on a regular basis about the progress of the process that should lead to further growth.

Market outlook

Decreasing attention regarding the Covid pandemic and optimism about the dry cargo markets have been overshadowed since late February by the horrific Russian invasion of Ukraine. We sympathise with the Ukrainian seafarers and their families on board the ships in which NBZ participates. With mixed feelings because of the suffering of the Ukrainians on the one hand and the consequences for the shipping market on the other, we outline a market picture for the coming 6–12 months.

Destabilisation as a result of political and military conflicts has historically led to higher freight rates in shipping markets initially. The sanctions are currently leading to rerouting cargo flows, resulting in increased tonne-miles for dry cargo vessels as well as for tankers. Together with the ban on Russian-owned vessels, which further tightens the supply side, this will have a strong influence on the shipping markets for the months to come. In the medium term, the consequences of the invasion and most likely increasing inflation may lead to drop in consumer confidence and global recession. The course of the current crisis in the Ukraine will largely determine the direction of the shipping markets for the coming 6–12 months.

The dry cargo markets are a major part of the spectacular improvement of the container market. As well as the increase of tonne-miles caused by the Russian invasion, congestion caused by local Covid lockdowns and related stagnation of logistic chains are keeping markets at high levels. The current low order books in the bulk market and the MPP market support optimism on the medium term; however, the increased order book for container vessels (delivery 2023 and 2024) might sharply reduce the rates for container vessels, negatively influencing the dry cargo markets. Oil production levels are close to pre-pandemic levels, which is good for the tanker market as a whole, but this recovery remains fragile, as the development of possible mutation of the Covid virus is uncertain. The order book for the tanker segments in which NBZ has its interest remains modest, and as yard capacity is scarce, this supports optimism on the medium term. However, uncertainty in the medium term (Covid, recession), plus in the longer term the position of fossil energy within the total energy mix, forces some caution in new tanker investments.

Events after the balance sheet date

The MS AS Elbia, owned by Nordic Handysize III AS, was, as planned, delivered to buyers in January 2022. Nordic Handysize III AS keeps the ownership of the MS AS Elenia.

In January 2022, North Sea Gas AS, owner of the MT Gas Master and the MT Gas Mariner, merged with B-Gas Maud Ltd (owner of the MT Gas Maud) and Bergshav Shipping Ltd (owner of the MT Gas Margrethe, the MT Gas Neptune and the MT Gas Venus). The new company owning the six LPG carriers is called B-Gas NGC Ltd. NBZ has a share of 1.75% in the new company.

After the sale in 2021 of the remaining two chemical tankers owned by Parchem III AS, the MT Caribe Cristina and the MT Caribe Maria. Parchem III AS was liquidated in February 2022 and the sale proceeds were subsequently distributed according to plan to the shareholders.

The MS Vectis Falcon, owned by Super Greenship BV, was sold for EUR 9 million gross. Delivery is planned in April 2022.

Dividend

The manager proposes to the shareholders' meeting the balance of the profit for the financial year in the amount of USD 1.709.000 and the dividend paid in the amount of USD 0.53 to add to the equity per 31 December 2021 plus an amount of USD 0.37 to be distributed to the shareholders in June 2022. This is not accounted for in the annual report.

Statement of business operations

General

In accordance with Article 121 of the Decree on the Supervision of the Conduct of Financial Undertakings (Besluit Gedragstoezicht financiële ondernemingen – Bgfo), it is our responsibility as Manager of Nederlandse Beleggingsmaatschappij voor Zeeschepen NV (NBZ) to declare that NBZ has a description of the structure of its business operations in accordance with the Act on the financial supervision and the related requirements, and that this operational management functioned effectively and in accordance with the description during the 2021 financial year. The business operations are geared to the size of the organisation and in line with the requirements set by, or pursuant to, the law. Such a structure cannot provide absolute assurance that misstatements will never occur, but is designed to obtain a reasonable degree of assurance about the effectiveness of the internal controls regarding the risks related to the activities of the investment fund. The assessment of the functioning and effectiveness of the business operations is the responsibility of the Manager.

Activities during the fiscal year 2021

The set-up of the administrative organisation and internal control (now referred to as 'business management') is reviewed annually and, if necessary, brought back into line with the legislation. This is reported by Annexum, who is assisted in the execution of this task by Bentacera B.V. Relevant risks have been identified and associated internal controls have been defined. In practice, the assessment of the effectiveness and the functioning of the operational management is given substance in a number of ways. We are periodically informed by means of recordings of activities performed on the basis of work instructions. These work instructions are based on the process descriptions and the control measures contained therein. Since the members of the management board of the Manager themselves frequently participate in the business operations, we also rely on our own experience. In addition, there is an incident and complaints procedure. No relevant findings emerged from this in the context of the reporting in this annual report.

Reporting operational structure

During the 2021 financial year, we assessed the various aspects of the operational structure. During our work, we have not made any observations on the basis of which it should be concluded that the description of the business structure as referred to in Article 115y of the Bgfo does not meet the requirements as included in the Bgfo and related regulations. Nor has it been noticed that the internal control measures do not function effectively and in accordance with the description.

On the basis of the above, we declare as Manager for NBZ that we have a description of the business operations as referred to in Article 121 of the Bgfo, which meets the requirements of the Bgfo and we declare with a reasonable degree of certainty that the business operations during 2021 has functioned effectively and in accordance with the description.

True and fair view statement, Article 5:25c-2c Wft

The management of NBZ declares that, to the best of its knowledge:

- The 2021 annual accounts give a true and fair view of the assets, liabilities, financial position as at 31 December 2021 and the result for the period 1 January 2021 to 31 December 2021.

- The Manager’s report gives a true and fair view of the situation as at 31 December 2021, the state of affairs during the reporting period 1 January to 31 December 2021 and that the report describes the material risks that the company is exposed to.

Amsterdam, 26 April 2022
The Manager

Corporate Governance report

Introduction

NBZ is a Dutch public limited company listed on NYSE Euronext Amsterdam. NBZ has an Executive Board (the Manager) and an independent Supervisory Board (a two-tier structure). The highest body of the Company is the General Meeting of Shareholders, which is convened at least once a year. The General Meeting of Shareholders appoints both the Executive Board and the Supervisory Board. Among other things, the Executive Board and Supervisory Board are responsible for corporate governance at NBZ. Corporate governance refers to good entrepreneurship, which involves transparent actions with proper supervision, as well as accountability for the supervision conducted. NBZ aims to inform investors as transparently as possible about developments within NBZ in its financial information.

On 1 July 2017, in accordance with the resolution of the Special Meeting of Shareholders on 1 December 2016, Annexum Beheer B.V. formally took over the management of NBZ N.V. from NBZ Management B.V. after approval by the AFM (Financial Markets Authority Netherlands).

In addition to legislation, the main source for corporate governance is the Dutch Corporate Governance Code. This chapter outlines the corporate governance structure of the Company.

Corporate Governance Code

As a listed company, NBZ applies the Dutch Corporate Governance Code 2016 ('the Code'). In 2017, the regulations of the Executive Board and Supervisory Board were updated to reflect the Code (which replaced the 2008 Dutch Corporate Governance Code as of 8 December 2016). Due to various reasons, some elements of the Code are not applicable. The reasons are explained in more detail.[1]

Executive Board

The Executive Board (the Manager) is charged with managing the Company, which means, among other things, that the Executive Board is responsible for the strategy with the associated risk profile, realisation of the Company's objectives, the development of the results and the social aspects of entrepreneurship relevant to the Company. The Executive Board is accountable for the above to both the Supervisory Board and the General Meeting of Shareholders.

The Executive Board determines the vision, strategy and goals. The Executive Board is also responsible for implementing the strategy. In discharging its duties, the Executive Board is guided by the interests of the Company, weighing the interests of those involved in the Company. The Executive Board is responsible for compliance with all relevant laws and regulations, for managing the risks associated with the business activities and for the financing of the Company (applicable when entering into financing for investments). The Executive Board reports on this to and discusses the internal risk management and control systems with the Supervisory Board.

[1] The following best practice provisions are not applied, as NBZ does not have an internal audit function, Supervisory Board regulations, delegated Supervisory Board member, temporary Board position Supervisory Board member, company Secretary, Executive Committee remuneration, certified shares, institutional investors or a one-tier board structure: 1.3.1 through 1.3.5, 2.1.3, 2.3.8 through 2.3.10, 3.1.3, 3.2.1, 4.3.5, 4.3.6, 4.4, 4.4.1 through 4.4.8, 5.1, 5.1.1 through 5.1.5.

The Executive Board is responsible for the quality and completeness of publicly disclosed financial reports. The Supervisory Board ensures that the Executive Board fulfils this responsibility adequately.

The Executive Board is responsible for the transparent governance of the Company. The objective of transparent governance is that all stakeholders have a clear understanding of the Company's decisions and decision-making processes.

The members of the Executive Board are appointed by the General Meeting on the recommendation of the Supervisory Board. The General Meeting determines the number of members of the Executive Board. Members of the Executive Board may be suspended or dismissed by the General Meeting.

The Executive Board currently consists of one statutory director, Annexum Beheer B.V., appointed by the General Meeting of Shareholders. Annexum Beheer B.V. is represented by two natural persons. Annexum has a special focus on compliance and raising new capital. The Manager's duties are described in the Management Agreement and set out in the 2020 Prospectus of 22 January 2020.

The remuneration of the Executive Board is based on the provisions in the Management Agreement (given the size of the Company, there is no remuneration committee).

The preparation of the Management Agreement was based on the aspects referred to in Art. 3.1.2. of the Code:

i. the objectives for the strategy to implement long-term value creation, as referred to in best practice provision 1.1.1;
ii. scenario analyses conducted in advance;
iv. the share price development;
v. an appropriate ratio of the variable portion of remuneration to the fixed portion.

The variable part of the remuneration is linked to predefined and measurable performance criteria, predominantly of a long-term nature. Given the size of the organisation, the other items set out in this article of the Code are not applicable to NBZ. This concerns iii (no other employees employed), vi and vii (no options and shares granted).

No personnel are employed, therefore no severance agreements apply.

The management fee to be paid to Annexum Beheer B.V. has been set at 2% of the assets invested by the Company with a minimum of actual management costs plus a fee to cover personnel-related costs of 34,050 EUR. A performance fee may be paid to the manager if the dividend yield in the financial year exceeds eight percent. In the relevant financial year, this performance fee was not awarded. The Special General Meeting of Shareholders held on 15 October 2019 resolved to provide for a result-dependent annual increase in the fee to the Manager, equal to 1/3 of the percentage increase in the investment portfolio, all up to a maximum portfolio size of 20 million USD. Key elements of the Management Agreement are posted on the website.

The Executive Board focuses on achieving the objectives and the continuity of the Company and its affiliated enterprise, concentrating on long-term value creation and weighing the relevant interests of stakeholders to this end. The Report of the Executive Board (Management Report) sets out this long-term vision and strategy for its realisation.

In case of a potential or actual direct or indirect personal interest of a member of the Executive Board that conflicts with the interest of NBZ, the relevant member immediately informs the Chair of the

Supervisory Board and other members of the Executive Board, providing all relevant information, including relevant information concerning the relevant Member's spouse, registered partner or other life companion, foster child, relative by blood or marriage up to the second degree. A member of the Executive Board will not participate in any deliberations and decision-making on a subject or transaction in which he/she has an (in)direct personal conflict of interest with NBZ. If all members of the Executive Board have an (in)direct personal interest that conflicts with the interest of NBZ and therefore no management decision can be made, the decision will be made by the Supervisory Board. The Supervisory Board must give its prior approval to any decisions by the Executive Board that relate to entering into transactions involving conflicts of interest that are of material significance to NBZ and/or the member of the Executive Board concerned. Such transactions are published in the Manager's report, disclosing the conflict of interest. Transactions involving conflicting interests of members of the Executive Board or Supervisory Board are agreed at market conditions.

The Executive Board establishes values for the Company and its affiliated company that contribute to a culture focused on long-term value creation and discusses them with the Supervisory Board. The Executive Board is responsible for embedding and maintaining the values in the Company and the associated business. This includes focal points such as:

i. the strategy and business model;
ii. the environment in which the Company operates; and
iii. the existing culture within the Company and whether it is desirable to make changes to it.

The Executive Board encourages behaviour that is consistent with the values and promotes these values by serving a role model for others.

The Executive Board must establish a code of conduct and monitor its internal realisation and compliance. The Executive Board informs the Supervisory Board of its findings and observations regarding realisation and compliance. This code of conduct has not yet been established.

The Company Secretary ensures that proper procedures are followed and that actions are taken in accordance with the Executive Board's legal and statutory obligations. In 2021, compliance with this policy was maintained.

Supervisory Board

The main task of the Supervisory Board is to supervise the policy of the Executive Board and the general course of events in the Company (and its subsidiaries) and to assist the Executive Board with advice. In fulfilling its tasks, the Supervisory Board is guided by the interests of the Company, taking into consideration the relevant interests of the Company's stakeholders. In this context, the Supervisory Board also considers the social aspects of business relevant to the Company.

In fulfilling its tasks, the Supervisory Board focuses on the long-term value creation of the Company and the associated business and takes into account the relevant interests of the Company's stakeholders. The Executive Board provides the Supervisory Board with all information and resources necessary for the proper performance of its duties in due time and order. If the Supervisory Board and/or a member of the Supervisory Board considers it necessary, it may obtain information from the Executive Board, the external auditor, and/or (other) officers and external advisors.

In its supervision, the Supervisory Board focuses on achieving the Company's objectives. The Supervisory Board regularly discusses the strategy, the implementation of the strategy and the related key risks. In the report of the Supervisory Board, it accounts for the manner in which the Supervisory Board was involved in the creation and supervision of the implementation of the strategy. Finally, the Supervisory Board is involved in reviewing and ratifying the Management Agreement between the Company and the Manager.

The responsibilities, task and working method of the Supervisory Board are laid down in the articles of association of NBZ. The Board members have joint responsibility for the proper performance of its duties. The members of the Supervisory Board may adopt independent positions in relation to the Executive Board. Members of the Supervisory Board perform their duties without a mandate and independently of any interest in the fund. At least once annually, the Supervisory Board discusses the performance of the Executive Board, the performance of the individual members of the Executive Board and its own performance. This also includes the issue of whether there is skill gap and/or a need for training or education. In 2021, based on the outcome of the discussions, no further action was required. The Supervisory Board consists of at least one member, but had two members in 2021 and three members after the appointment of Ms M.F.M. van den Berg. In 2021, there was no commissioner with a specific task or temporary position. The Board does not use a support secretary. Supervisory Board periodically reviews the composition of the Board, particularly in the context of diversity, heterogeneity and the competencies, qualities and expertise present, in order to be able to meet the requirements of the Governance and Supervision Act even better. The Supervisory Board appoints a Chair from among its members.

The Supervisory Board is responsible for deciding how to deal with (potential) conflicting interests of the Executive Board, Supervisory Board members and the external auditor in relation to the Company. Pursuant to the Financial Supervision Act and on the basis of IFRS, transactions between the Company and related parties are reported in the financial statements under the Note 'Related parties'. This includes transactions involving the Executive Board and the Supervisory Board members, as well as transactions involving one or more related parties. This will include the extent to which the transactions were completed at market conditions.

The members of the Supervisory Board are appointed by the General Meeting, at the recommendation of the Supervisory Board. The Supervisory Board has prepared a profile of its size and composition, taking into account the nature and activities of the Company and the preferred expertise and background of its members. The Supervisory Board aims for a mixed composition, including with regard to gender and age. The profile is reviewed every three years to check it is still current and accurate. Proposals to the General Meeting of Shareholders for appointment or reappointment are fully substantiated. In the case of a reappointment, the candidate's performance in the capacity of Supervisory Board member is taken into account. A commissioner is appointed for a period of four years and may be reappointed. There is no maximum period. A resolution of the General Meeting of Shareholders to dismiss or suspend a Supervisory Board member may be passed with a simple majority vote at a meeting. The operating procedures of the Supervisory Board are laid down in the Company's Articles of Association. All members of the Supervisory Board are independent within the meaning of the Code.

Currently, the Supervisory Board consists of the following individuals:

- B. de Vries (male), Chair: born 1958, on the Supervisory Board since 2005. In addition to being the CEO of Finamar B.V., several other advisory positions. Re-electable in 2022.

- R.G. Verburgt (male), member, born 1959, on the Supervisory Board since 2020. Chief Executive Officer Alliance Tanker Management Cooperative U.A. as well as various advisory positions. Re-electable in 2024.

- M.F.M. van den Berg (female), member, born 1978, on the Supervisory Board since 2021. Interim manager, advisor and trainer in the field of legal advice, risk and compliance. She is also Vice-Chair of the Supervisory Board of Qurin Diagnostics. Re-electable in 2025.

At the Annual General Meeting of Shareholders on 10 June 2021, shareholders approved the appointment of Ms M.F.M. van den Berg as a member of the Supervisory Board.

The members of both the Supervisory Board and the Executive Board must obtain the consent of the Supervisory Board for any new Supervisory Board members or other relevant positions. The General Meeting determines the remuneration of the members of the Supervisory Board. The remuneration is set out in the 2020 Prospectus, section 'Key data investment performance, cost structure and forecasts'. This remuneration and the underlying considerations reflect the time commitment and responsibilities of the position and take into account the objectives with:

i. the objectives for the strategy to implement long-term value creation, as referred to in the provision relating to best practice in the Code, Art. 1.1.1;
ii. scenario analyses conducted in advance;
iii. the share price development;

No variable remuneration component was included. Given the size of the organisation, the other points set out in this article of the Code are not applicable to NBZ.

The Supervisory Board is convened whenever a member of the Supervisory Board or the Executive Board deems it necessary. The Supervisory Board met five times during the year under review in the presence of the Manager. All Supervisory Board members were present at all meetings. The Company has not established an internal audit department. No regulations have yet been prepared with regard to the Supervisory Board. A Board evaluation is included in the report of the Supervisory Board. The Supervisory Board discusses the findings of the external auditor regarding the Company's internal control environment with the Executive Board and the external auditor.

The Supervisory Board oversees the internal control structure and procedures and the assessment of risks facing the Company and its associates, and is responsible for approving investments. This is done on a regular basis in the Supervisory Board meeting and additionally as and when there is reason to do so. Risks that are addressed include: strategic risks, operational risks, compliance, reporting risks and, more specifically, credit risks, liquidity risks, interest rate risks, price risks, currency risks and risks related to financial instruments. The report of the Executive Board addressed the risks the Company faces and how these are managed. During the financial year, there was no reason to doubt that the systems and procedures operate in accordance with their intended purposes. The Chair of the Supervisory Board ensures that action is taken in accordance with the Code 2016, Art. 2.3.6.

The Chair of the Supervisory Board is the main contact representing the Board to the management, Supervisory Board members and shareholders regarding the performance of management and Supervisory Board members. The Vice President serves as a point of contact for individual commissioners and management regarding the performance of the President.

All Supervisory Board members must complete an induction program tailored to their position. At a minimum, this induction program covers general financial, social and legal matters, the Company's financial reporting, the specific aspects that are characteristic of the Company concerned and its business activities, the culture and – if applicable – the relationship with the employee participation body and the responsibilities of a Supervisory Board member.

A member of the Supervisory Board immediately reports any potential conflict of interest in relation to NBZ to the Chair of the Executive Board. If it concerns the Chair, the President should report to the Vice President without delay. The relevant member provides all relevant information, including information relevant to the situation concerning his/her spouse, registered partner or other life partner, foster child and relatives by blood or marriage up to the second degree. A member of the Supervisory Board does not participate in the deliberations and decision making on a subject or transaction in which he/she has a conflict of interest with NBZ. No cases of conflicting interests of members of the Supervisory Board occurred during the reporting year. Additional positions of members of the Supervisory Board require the approval of the Executive Board.

The Executive Board and the Supervisory Board are each responsible for promoting openness and accountability within and between their respective Boards.

Diversity Policy

The Supervisory Board currently consists of two male members and one female member. NBZ strives for a balanced distribution between male and female members. In the future, this will also be part of the considerations with regard to the appointment of new Supervisory Board members.

Takeover situations

If a takeover bid for the shares or share certificates in the Company is prepared, in the event of a private bid for a business unit or an investee the value of which exceeds the threshold referred to in Section 2:107a, paragraph 1(c), of the Netherlands Civil Code, and/or in the event of any other radical change in the structure of the Company, the Executive Board ensures that the Supervisory Board is closely involved in the takeover process and/or the change in the structure at an early stage.

If a takeover bid has been announced or issued for the shares or share certificates of the Company and the Executive Board receives a request from a third competing bidder to inspect the Company's records, the Executive Board discusses such a request with the Supervisory Board without delay.

If a private bid for a business unit or an investee the value of which exceeds the limit referred to in Section 2:107a(1)(c) of the Dutch Civil Code has been disclosed, the Executive Board of the Company publicly discloses its position on the bid and the reasons for this position as soon as possible.

In the event of an acquisition situation, the Executive Board and Supervisory Board prioritise the interests of the Company and the associated business activities.

Committees of the Supervisory Board

Due to the limited size, diversity and complexity of the issues to be addressed, the Supervisory Board has not established a Risk and Audit Committee and a Remuneration and Nomination Committee. In addition, there are no Executive Committee and Selection and Appointment Committee that deal with the selection, nomination and appointment of Executive Board and Supervisory Board members.

External auditor

The external auditor is appointed by the General Meeting of Shareholders. The Board ensures that the external auditor receives all information necessary for the performance of its work in good time. The Board gives the external auditor an opportunity to respond to the information provided. The external auditor reports to the Supervisory Board and the Executive Board with regard to the review completed. After the review and audit, the auditor provides an opinion on the NBZ's annual financial statements, assessing the true and fair view these provide of the Company. The General Meeting of Shareholders is authorised to enquire with the auditor about its opinion on the reliability of the financial statements. The external auditor is authorised to speak about this matter at the Shareholders' meeting.

The external auditor attends the Supervisory Board meetings at which the external auditor's report on the audit of the financial statements is discussed. The auditor is available for the General Meeting during which the adoption of the financial statements is considered. The external auditor informs the Chair of the Supervisory Board without delay if he/she discovers or suspects any wrongdoing or irregularity in the performance of audit duties. Deloitte is the external auditor as from the financial year 2019. Due to the lack of an audit committee, no meeting between the external auditor and the Supervisory Board took place in 2021 without the presence of the Manager.

General Meeting of Shareholders

Shareholders' meetings are convened by the Executive Board or by the Supervisory Board. The Executive Board is required to convene a General Meeting within six weeks of receiving a request in writing to this effect by shareholders jointly representing at least 10% of the issued share capital, stating the subjects to be discussed. The regular annual meeting was held on 10 June 2021. The following were discussed at this meeting of shareholders: the annual report, adoption of the financial statements, appropriation of profit, discharge of the Executive and Supervisory Boards from liability, and other agenda items. Agenda items for this meeting will be communicated to shareholders in advance via the website.

The Chair of the General Meeting is responsible for ensuring the proper meeting order in order to facilitate meaningful discussion at the meeting.

If a shareholder has had an item placed on the agenda, he/she explains it at the meeting and, if necessary, answers questions about it.

A shareholder exercises the right to put an item on the agenda subject to consultation with the Executive Board. If one or more shareholders intend to request that an item be put on the agenda that may lead to a change in the Company's strategy, for example the resignation of one or more members of the Executive Board or Supervisory Board, the Executive Board is given the opportunity to invoke a reasonable period in which to respond (the response time). The possibility of invoking the response time also applies to an intention as referred to above to seek judicial authorisation to convene a General Meeting on the basis of Article 2:110 of the Dutch Civil Code. The relevant shareholder respects the response time invoked by the management, as referred to in best practice provision of the Code, Art. 4.1.7. If the Executive Board invokes a response time, it is a reasonable period not to exceed 180 days from the time the Executive Board is informed by one or more shareholders of the intention to put an item on the agenda until the day of the General Meeting at which the item is to be discussed. The Executive Board uses the response time for further consideration and constructive consultation, at least with the relevant shareholder(s), and explores the alternatives. At the end of the response time, the Executive Board reports on this consultation and exploration to the General Meeting. The Supervisory Board oversees this. The response time is invoked only once per General Meeting and does not apply with respect to a matter for which a response time has been previously invoked. It also does not apply when a shareholder holds at least three-quarters of the issued capital as a result of a successful public offer.

A shareholder votes at his or her discretion. A shareholder who uses third-party voting advice is expected to form his/her own opinion on the voting policy or voting advice provided by that adviser.

The General Meeting of Shareholders may pass a resolution to deprive a nomination for the appointment of an Executive or Supervisory Board member of its binding character and/or a resolution to dismiss an Executive or Supervisory Board member by an absolute majority of the votes cast. This majority may be subject to the requirement that it represents a specified proportion of the issued capital, and this proportion cannot exceed one third. If this portion is not represented at the meeting, but an absolute majority of the votes cast supports the resolution to remove the binding nature of the nomination or to dismiss, the resolution may be passed at a new meeting to be convened by an absolute majority of votes, regardless of the portion of the capital represented at that meeting.

The Company has no financing preference shares.

Institutional investors (pension funds, insurers, investment institutions, asset managers) annually post their policy on the exercise of voting rights for shares they hold in listed companies, in any event on their website.

Institutional investors annually post a report on the implementation of their policy on exercising voting rights during the relevant financial year, on their website and/or in their management report. In addition, they report at least quarterly on their website whether and how they voted as shareholders at General Meetings. This report is posted on the institutional investor's website.

Shareholders are entitled to cast one vote for each ordinary share they hold, and they may vote by proxy if they prefer. Resolutions of the General Meeting of Shareholders are passed by a simple majority of the votes cast, unless the law or the Articles of Association require a different majority. There is no procedure for remote or advance voting.

If the Executive Board and the Supervisory Board do not provide the General Meeting with all the information requested by invoking an overriding interest of the Company, they are required to substantiate their reasons. The Company defines an outline policy on bilateral contacts with shareholders that is posted on its website.

Analyst meetings, analyst presentations, presentations to (institutional) investors and press conferences are announced in advance via the Company's website and press releases. Analyst meetings and presentations to investors do not take place shortly before the publication of regular financial information. All shareholders can follow these meetings and presentations simultaneously by webcasting, telephone or other means. The presentations will be posted on the Company's website after the meetings.

The Company posts and updates information relevant to shareholders that it is required to publish or file under the applicable Company and securities legislation on a dedicated section of the Company's website.

Contacts between the Executive Board on the one hand and the press and financial analysts on the other are handled and structured carefully and in compliance with applicable laws and regulations. The Company does not take any actions that affect the independence of analysts from the Company and vice versa.

In the Executive Board's Report, the management provides an overview of all outstanding or potentially deployable safeguards against takeover of control of the Company, indicating the circumstances and by whom such safeguards are expected to be activated.

Executive and Supervisory Board members who are nominated for appointment are present at the General Meeting voting on their nomination.

The minutes of the General Meeting of Shareholders are adopted and signed by the Chair and the minute taker. This must be done within 3 months of closing the meeting. The minutes are posted on the Company's website. The Executive and Supervisory Boards provide the General Meeting of Shareholders with all requested information, unless this would be contrary to an overriding interest of the Company.

Renumeration report

The following is an explanation of how the remuneration policy approved by the General Meeting was implemented during the last financial year (2021).

Structure and remuneration policy

NBZ's current remuneration policy was adopted at the Special General Meeting of Shareholders convened on 1 December 2016 and 15 October 2019. There were no changes in the remuneration policy in 2021. The remuneration policy is published on the Company's website, including in the issue prospectus/registration document of 2 December 2019. Remuneration is also disclosed in the annual financial statements.

As a result of the implementation of the EU 'Shareholder Engagement' Directive into Dutch law as of 1 December 2019, the remuneration policy will be determined every four years in the General Meeting of Shareholders. The Supervisory Board drafts this policy and the General Meeting of Shareholders adopts it.

Management fee

Under the Management Agreement between NBZ and the Manager, the Manager is entitled to an annual management fee of 2% of the assets invested by NBZ, with a minimum of actual management costs, plus a 34,050 EUR fee to cover personnel-related costs (excluding VAT). Furthermore, under the Management Agreement, the Manager is entitled to an annual 15% performance fee if the dividend yield in the financial year exceeds 8% (excluding VAT). In case of unilateral termination of the Management Agreement by NBZ, the Manager is entitled to a termination fee, subject to exceptions.

Result-dependent increase in fees

The Special General Meeting of Shareholders convened on 15 October 2019 decided to provide for a result-dependent annual increase in the fees paid to the Manager, Executive Board and Supervisory Board. This increase in fees is equal to 1/3 of the percentage increase in the investment portfolio, up to a maximum portfolio size of 20 million USD.

Pursuant to agreement between the Manager, NBZ and FinShip BV (FH Nauta), FinShip is entitled to:

- an annual 34,050 EUR fee (ex VAT) (USD 38,590), payable to the Manager, excluding the annual result-dependent increase as decided at the Special General Meeting of Shareholders held on 15 October 2019;
- an annual 18,000 USD fee (ex VAT) payable by NBZ N.V;
- a success-related guidance fee of 2% on the amount that NBZ invests or reinvests (excluding VAT). This fee is payable by NBZ N.V. and is spread evenly over the life of the investment.

Pursuant to the agreement between the Manager and Toutatis Tax Management B.V. (M. Steenhuis), Toutatis is entitled to:

- an annual 11,350 EUR fee (ex VAT), payable by NBZ N.V., excluding the annual result-dependent increase as decided at the Special General Meeting of Shareholders held on 15 October 2019;

In 2021, the above management fee amounts to 254,000 USD.

Remuneration of the Supervisory Board

The meeting sets the remuneration of the members of the Supervisory Board. The Supervisory Board members receive the following remuneration:

- the Chair: 15,000 USD per year; and the members: 11,000 USD per year, excluding the annual result-dependent increase as decided at the Annual General Meeting of Shareholders on 10 June 2020;
- travel expenses are reimbursed.

In 2021, remuneration and allowances to the Supervisory Board amount to 36,000 USD.

Mitigating risks

Operational, financial, compliance and tax risks

NBZ monitors the risks to which it is exposed: operational risks, financial risks and compliance risks. The strategic and operational risks mainly relate to the shipping sector, fleet composition and, due to the market situation, a strong focus on negative market developments as well as on ship owner and tax-related risks. The financial risks concern credit, interest, currency, price and liquidity risks. NBZ employs various means to manage these risks. Fixed procedures are followed for the periodic preparation of quarterly and annual financial statements based on the accounting policies applied. The Supervisory Board discusses the findings of the external auditor regarding the annual reporting and control environment with the Executive Board.

The specific risks of the fleet are described in more detail in the section 'Developments composition fleet and performance investments'.

NBZ monitors the main risks related to the tax position. For cost reasons and because NBZ aims to simplify its legal structure, the subsidiaries in Cyprus and Norway, as well as the feeder funds, have been dissolved.

NBZ regularly verifies compliance with tax regulations.

Financial instruments and risks

Financial instruments

NBZ invests mainly in loans to and participations in shipping companies that own vessels. The investments are defined as financial instruments, and these have specific risks, such as credit, liquidity and market risk. Market risk can be classed as interest rate, price and currency risk. Below, these risks are set out in further detail.

Credit risk

NBZ aims to minimise the risks associated with potential non-compliance by its counterparties. NBZ enters into transactions with carefully selected parties and requires collateral when providing investments and financing. During the erratic and extreme developments in the shipping industry in recent years, it has become apparent that despite this selection, several shipping companies have run into financial difficulties. The note 'Developments composition fleet and performance investments' details the current state of affairs in this area. NBZ has a concentration risk in the shipping sector, which is inherent to its activities.

Liquidity risk

To limit liquidity risks, NBZ spreads the maturity and cash flows of its investments. The liquidity as at 31 December 2021 is USD 327,000, well within internally set policies. Cash and cash equivalents are held with ING Bank (Aa3 Moody's). NBZ issued private notes among private investors. At the end of 2021, an amount of USD 725,000 was placed among these private investors. The solvency and liquidity as at 31 December 2021 is a solid basis and liquidity risks are considered to be limited.

Interest rate risk

Given NBZ's policy of investing in a fleet or financing ships in the medium term, financing with a similar term (preferably equal to the contractual term and principal of the investment) is also used for this purpose. NBZ indirectly makes use of variable interest-bearing loans taken by the Norwegian investees that own the relevant vessels. During 2021 NBZ started the issuance of private notes with a coupon of 6% per annum and a term of four years. At the end of 2021, USD 725,000 was placed among private investors.

Price risk

NBZ invests in both ships and financing for ships. If NBZ is a lessor of a vessel, the Company may run a price risk for the (residual) value of the vessel. NBZ’s policy is to hedge this value as much as possible in contracts with the shipping companies (for example, by establishing selling rights at a fixed price with the shipping company, put option). Within the range of the minimum price of these selling rights and the market value of the vessel, the Company runs a price risk.

Currency exchange risk

The Company reports in US dollars, the dominant currency in the shipping industry. Investments, equity and liabilities are denominated in US dollars. The Company is exposed to a limited currency risk on cash held in Euros and on operating liabilities (creditors) in Euros related to the business operations in a Euro-based environment. This risk is not material. NBZ shares are traded on the stock exchange in Euros.

Determination of fair value

Vessel participations have no publicly available market information. However, information is available on transactions in the assets of the holdings in ships, as this information is made available by the manager of the SPVs on request. Apart from NBZ’s purchase of the 3% share in the motor tankers Arctic and Antarctic and the purchase of the 15% share in the motor vessel FWN Momentum, there was one market transaction of an entity in which NBZ participated during 2021, namely in Nordic Handysize III AS.

Changes measurement level

As at 31 December 2021, the shareholding in Partankers XVII AS, Momentum CV and Nordic Handysize III AS are measured at Level 3 based on recent market transactions (3RT).

Level 3 measurement based on recent market transactions

For participations in the above companies, the above transactions are used as a basis for determining fair value with adjustments for interest, dividends paid and capital repayment if necessary. This takes into account any subsequent events after the transaction date that may give cause for derogation from this policy. The fair value hierarchy is explained in note 10.

Level 3 measurement based on DCF method

The measurements of the shares held in the companies UACC Bergshav II DIS, Henrietta Product DIS, North Sea Gas AS, Parchem III AS, Brasgas IS, Thor Dahl Shipping AS, RF Tanker AS, Super Greenship BV and the shares held in the four Forest Wave CV’s are measured on the basis of Level 3 measurement, applying the DCF method at the end of December 2021. NBZ tests the risk premium in its investment decision, where the risk factors as set out in the investment policies are taken into account. The diversity of investments and uncertainties explain the range of risk premiums applied by NBZ to determine the fair value of the investments based on the following details:

Measurement method	Income approach, present value method
Cash flow horizon	2021 through 2027
Risk-free interest rate	1% - 2%
Risk premium applied	5% - 8%

Risk-free interest rate & applied risk premium
The risk-free interest rate is based on the US government bond rate that corresponds to the average term of the investment. The risk premium is a result of several input variables that are based on the market risk of the maritime sector, economic state of the specific sub-sector, maturity of the investment, marketability of the investment, financing structure of the investment and individual mark-ups and/or mark-downs. The risk-free rate and the applied risk premium together constitute the discount rate of the estimated or fixed future cash flows associated with the investment. All variables and input data required to create the (individual) discount rate and methodology are reviewed at least annually, most recently as at 31 December 2021.

Credit risk
Credit risk of the shipping company is factored into the measurement in the applied risk premium. For investments with less certain future cash flows, NBZ requires a higher risk premium at the time of investment. During the term of the investments, the performance of the investment is evaluated and the risk premium applied to determine fair value is adjusted as necessary. Most of the vessels are leased on the basis of hull or time charter contracts, so the fund is exposed to occupancy risk of the vessels to a limited extent.

Quantitative impact analysis
The two main parameters applied in the measurement model are estimated sales value of the underlying vessels at the end of the investment period, and the discount rate applied. In determining the estimated sales value at the end of the investment period, the estimated sales value as at 31 December 2021 is used as a basis. For this purpose, NBZ uses references from an external specialist. Then, based on the remaining term of the relevant investment, an estimate is made of the sales value at the end of the investment term. This takes into account agreements on selling prices at the end of the term (e.g. put and call options). If no such agreements have been made, depreciation is applied until the end of the remaining term of the investment.

Impact change estimated sales price as at 31/12/2021 on total value of assets		
Change in estimated sales price	deviation measurement of	% change in value of assets
-30%	-1,392	-16%
-15%	-696	-8%
15%	696	8%
30%	1,539	18%

Regarding the impact of a change in the applied discount rate on the total value of the assets, please refer to the table below.

Change in discount rate	deviation measurement of assets	% change in value of assets
-4%	546	8%
-2%	263	4%
2%	-245	-4%
4%	-474	-7%

As mentioned above, an external specialist advises on the sales value as at the closing date of each financial year of the vessels in which NBZ invests. This external specialist is also consulted when buying and selling investments. In addition, this external specialist is called in throughout the year when changes in market conditions require advice.

CONSOLIDATED FINANCIAL STATEMENTS 2021

Consolidated balance sheet as at 31 December (before profit appropriation)

(x USD 1.000)		31 Dec 2021	31 Dec 2020
Assets			
Non-current assets			
Loans issued	(1)	-	-
Participations in ships	(2)	6,046	4,759
Investments in joint ventures		-	7
		6,046	4,766
Current assets			
Loans issued	(1)	-	-
Participations in ships	(2)	2,756	1,251
Other receivables	(3)	54	117
Cash and cash equivalents	(4)	327	402
		3,137	1,770
		9,183	**6,536**
Equity and liabilities			
Group equity	(5)		
Paid-up and called-up capital		1,013	978
Share premium general		15,508	8,952
Share premium shares A		-	6,240
Revaluation reserve		3,320	1,346
Currency translation reserve		-	-7
General reserve		-13,354	-11,096
Profit for the year		1,709	-78
		8,196	6,335
Long-term liabilities			
Bond loan	(6)	725	-
		725	-
Short-term liabilities			
Other liabilities	(7)	262	201
		262	201
		9,183	**6,536**

The notes on pages 39 to 73 are an integral part of the financial statements.

Consolidated statement of profit or loss and of comprehensive income

(x USD 1.000)		January 1 to December 31 2021	2020
Income			
Interest income loans issues	(1)	-	15
Other income		6	22
Alteration in valuations on participations in ships	(2)	2,290	424
Results from investments in joint ventures		-7	-
		2,289	461
Other results			
Transaction and investment costs		-84	-78
Interest		-25	-
Currency results		-8	14
		-117	-64
Operating expenses			
Management fees	(11)	254	191
Expenses feeder funds		-1	4
Other operating expenses	(13)	210	241
		463	436
Result before taxes		1,709	-39
Corporate income tax	(14)	-	-39
Result of the year		1,709	-78
Attributable to shareholders		1,709	-78
Result per share (x USD 1)		2.12	-0.10
Unrealized results			
Unrealized results that may be classified to the profit and loss account after initial recognition		-	-
Translation differences		-	-
Total unrealized results		-	-
Total result		1,709	-78
Attributable to shareholders		1,709	-78
Total result per share (x USD 1)	(15)	2.12	-0.10

The notes on pages 39 to 73 are an integral part of the financial statements.

Consolidated statement of changes in equity

(x USD 1.000)	Shares A Amount	Shares B Amount	Paid-up and called-up capital	Share premium general	Share premium shares A	Revaluation reserve	Currency translation reserve	General reserve	Profit for the year	Total
Position as of 1 January 2020	**624,545**	**27,510**	**315**	**9,037**	**6,368**	**922**	**-7**	**-10,697**	**-208**	**5,730**
Exchange	27,510	-27,510	-351	-	301	-	-	50	-	-
Repurchase OEK shares	-38,303	-	-1	-	-566	-	-	459	-	-108
Stock dividend	11,459	-	14	-37	23	-	-	-	-	-
Share issue	170,447	-	2	-48	972	-	-	-	-	926
Amendment of the Articles of Association	-	-	858	-	-858	-	-	-	-	-
Currency change in share capital	-	-	141	-	-	-	-	-141	-	-
Mutation in revaluation reserve	-	-	-	-	-	424	-	-424	-	-
Dividend	-	-	-	-	-	-	-	-135	-	-135
Appropriation of profit prior year	-	-	-	-	-	-	-	-208	208	-
Profit for the year	-	-	-	-	-	-	-	-	-78	-78
Position as of 31 December 2020	**795,658**	**-**	**978**	**8,952**	**6,240**	**1,346**	**-7**	**-11,096**	**-78**	**6,335**

(x USD 1.000)	Shares A Amount	Shares B Amount	Paid-up and called-up capital	Share premium general	Share premium shares A	Revaluation reserve	Currency translation reserve	General reserve	Profit for the year	Total
Position as of 1 January 2021	**795,658**	**-**	**978**	**8,952**	**6,240**	**1,346**	**-7**	**-11,096**	**-78**	**6,335**
Stock dividend	35,832	-	42	-122	80	-	-	-	-	-
Share issue	99,428	-	112	-	478	-	-	-	-	590
Repurchase of shares	-36,847	-	-43	-120	-	-	-	-	-	-163
Currency change in share capital	-	-	-76	-	-	-	-	76	-	-
Mutation in revaluation reserve	-	-	-	-	-	1,974	-	-1,974	-	-
Dividend	-	-	-	-	-	-	-	-275	-	-275
Transfer	-	-	-	6,798	-6,798	-	7	-7	-	-
Appropriation of profit prior year	-	-	-	-	-	-	-	-78	78	-
Profit for the year	-	-	-	-	-	-	-	-	1,709	1,709
Position as of 31 December 2021	**894,071**	**-**	**1,013**	**15,508**	**-**	**3,320**	**-**	**-13,354**	**1,709**	**8,196**

The notes on pages 39 to 73 are an integral part of the financial statements.

Consolidated statement of cash flows

(x USD 1.000)		1 januari t/m 31 december 2021	2020
Result from ordinary activities before taxes		1,709	-78
Adjustments for:			
Alterations in valuation on participations in ships	(2)	-2,290	-424
Interest costs		-25	-
Interest income (financial lease and loans issued)		-	-15
Change in working capital and others		164	-194
Cashflow from business activities		-442	-711
Received interest from loans issued	(1)	-	16
Refunds from participations in ships	(2)	1,263	519
Investments in participations in ships	(2)	-1,765	-1,218
Investments in loans issued		-	396
Cashflow from investment activities		-502	-287
Repurchase OEK shares		-	-108
Repurchase shares		-163	-
Receipts from issues of shares		590	926
Dividends paid out	(5)	-275	-135
Receipts from bond loans		725	-
Cashflow from financing activities		877	683
Foreign exchange result and translation differences on cash and cash equivalents		-8	14
Connection to cash and cash equivalents			
Increase/(decrease) cash and cash equivalents		-75	-301
Balance cash and cash equivalents as at 1 January		402	703
Balance cash and cash equivalents as at 31 December		**327**	**402**

The notes on pages 39 to 73 are an integral part of the financial statements.

General notes

Incorporation, objective and activities

Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. (hereafter NBZ) was incorporated on 16 March 2005 in the Netherlands. On 14 November 2011, the company was converted from B.V. to N.V. The company has its registered office in Rotterdam and has its actual office in Amsterdam, Strawinskylaan 485 with effect from 1 January 2017. The company is registered with the Chamber of Commerce under number 24375220.

On 12 September 2012, NBZ was converted from an investment institution with an open-end structure into an investment institution with a closed-end structure. Potential expansion of capital will take place through the issuance of new shares and no longer through a continuous issuance as under an open-end structure. The provisions regarding the closed-end structure are set out in the supplement of 12 September 2012 to the Prospectus 2011.

The main activities of NBZ consists of the use of capital raised to invest in ships, in accordance with the investment policy of NBZ. NBZ thus offers private individuals and legal entities the opportunity to participate in its risk-bearing capital, which the company invests in existing seagoing vessels through single ship companies and loans.

For a detailed explanation of the investment policy, reference is made to the Prospectus 2011, dated 15 November 2011, the Prospectus 2016, dated 15 April 2016, the Prospectus 2019, dated 2 December 2019 and the Prospectus 2020, dated 22 January 2020. An overview of the investments of NBZ is included in the notes to the balance sheet.

The consolidated financial statements for the financial year ended 31 December 2021 include NBZ and its subsidiaries. The management has prepared the consolidated financial statements and released them for publication on 26 April 2022. The consolidated financial statements for the financial year ending on 31 December 2021 have been approved by the Supervisory Board on 19 April 2022 and will be submitted for adoption to the shareholders on 9 June 2022.

Listing on Euronext Amsterdam

As of 15 November 2011, the company's A shares are listed on Euronext Amsterdam. Trading takes place on the basis of daily rates. The ISIN code of the A shares is NL0010228730.

Basis of consolidation

Participating interests over which NBZ has control and the right to variable returns from the participating interest as well as the ability to influence the size of the income from the participating interest are consolidated. Participating interests are fully included in the consolidated statements from the date on which the aforementioned conditions are first met until the date on which these conditions are no longer met. The full consolidation method has been applied.

Intercompany transactions, receivables, debts and unrealized results on transactions between group companies are eliminated in the consolidation. The accounting policies of participating interests have been adjusted, insofar as necessary, to the accounting policies of NBZ.

These financial statements include the financial information of NBZ and its wholly-owned subsidiaries:

Name of subsidiary	*Activities (in which investments are made)*	*Place of business*
Venere Scheepvaart B.V.	Investment in Momentum CV	Rotterdam, Netherlands

During 2021 multiple subsidiaries were liquidated. R. Star Management B.V. is included in the consolidation up to and including 22 September 2021. NBZ CO-MAN COMP.1 B.V. is included in the consolidation up to and including 28 September 2021. SPVNautilus B.V. is included in the consolidation up to and including 25 October 2021. NBZ Norway AS is included in the consolidation up to and including 25 October 2021.

Participations over which NBZ does not have significant control are not consolidated. From the moment that NBZ loses its control over a subsidiary, the relevant participation is no longer consolidated. The result realized on disposal of the interest in the investee is calculated as the difference between (i) the sum of the fair value of the compensation received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any minority interests. Any amounts previously recognized in other comprehensive income related to that subsidiary are accounted for as if NBZ had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or to another category of equity transferred as required/allowed by applicable IFRS standards). The fair value of any investment held in the former subsidiary at the date control is lost is considered to be the fair value on initial recognition for subsequent accounting under IFRS 9 if applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Subsequent events

The MS AS Elbia, owned by Nordic Handysize III AS, was as planned delivered to buyers in January 2022. Nordic Handysize III AS keeps the ownership of the MS AS Elenia.

In January 2022, North Sea Gas AS, owner of the MT Gas Master and the MT Gas Mariner, merged with B-Gas Maud (owner of the MT Gas Maud) and Bergshav Shipping Ltd (owner of the MT Gas Margrethe, the MT Gas Neptune and the MT Gas Venus). The new company owning the 6 LPG carriers is called B-Gas NGC ltd. NBZ will have an ownership of 1.75% in the new company.

After the sale in 2021 of the remaining two chemical tankers owned by Parchem III AS, the MT Cristina and the MT Maria, Parchem III AS liquidated in February 2022 and the sales proceeds were subsequently distributed according plan to the shareholders.

The MS Vectis Falcon, owned by Super Greenship BV, was sold for EUR 9 mln gross. Delivery is planned in April 2022.

NBZ sympathizes with the victims of the war in Ukraine and hopes that this human tragedy will soon come to an end. From an economic point of view, wars in the past have often led to an increase in market rates as disruption of trading trade routes often causing an increase in the demand for shipping space because of an increase of tonne-miles. Currently we don’t notice any substantial impact on the charter rates, but this might change in the coming period.

Accounting principles

The consolidated financial statement is drawn up in accordance with the International Financial Reporting Standards (IFRS) approved by the European Union and also complies with the legal provisions of Part 9 of Book 2 of the Dutch Civil Code. The provisions under the "Wet of het financieel toezicht" (Wft) have also been included in the annual accounts, insofar as they apply to the fund.

The consolidated financial statements have been prepared on the basis of historical cost prices, with the exception of the participations in ships. Income and expenses are allocated to the year to which they relate. The financial statements have been prepared on the basis of the going concern principle.

The financial statements are presented in units of one thousand US dollars unless stated otherwise.

Use of estimates and assumptions

The preparation of financial statements in accordance with IFRS involves using estimates and assumptions in the valuation of assets and liabilities and in the preparation of the notes to the assets and liabilities as at the balance sheet date as well as in the items in the profit and loss account for the reporting period. Although these estimates are based on current market information, knowledge, and experience of the manager at the time of preparing the financial statements, actual results may ultimately differ. It is therefore possible that the results will deviate from the assumptions during the coming financial year, which may affect the carrying amount of the assets or liabilities concerned. Determination of the fair value of investments is performed on the basis of cash flow analyses in order to arrive at an adequate valuation, these analyses contain estimates (see notes 1, 2 and 8). In addition, the manager makes estimates for the collectability of receivables, the loan loss provision (see note 4) and the expected results for the purpose of determining deferred tax receivables (see note 14).

Accounting policies for the valuation of assets and liabilities in the consolidated balance sheet

Financial Instruments - IFRS 9

A financial asset or financial liability is considered to be held to be traded:

(a) it is acquired or entered into principally for the purpose of selling or repurchasing it in the short term; or

(b) on initial recognition, is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent current pattern of short-term profit-making.

A financial asset held for trading is initially measured at fair value, with all transaction costs recognized directly in the income statement. The subsequent measurement relates to fair value through profit or loss.

A financial asset is measured at amortized cost if it is held within a business model whose purpose is to hold financial assets to receive contractual cash flows and which are only payments of principal and interest. These financial assets are initially valued at fair value plus directly attributable additional costs of acquisition or issue. The subsequent valuation concerns amortized cost.

The company does not apply hedge accounting.

Loans issued

Granted long-term loans, other than loans that qualify as investments, are valued at amortized cost. The manager assesses annually whether there has been a change in credit risk and any provision is calculated and accounted for.

Investments in participations in ships

Investments in participations in ships are valued at fair value, the movements in fair value are credited or charged to the result. The investments have no frequent market valuation. Transaction costs are recognized as an expense in the profit and loss account on initial valuation. The fair value of the investments is determined using the income approach, based on the calculation of the present value of the future expected cash flows of the investments. Depending on the available information, the fair value may also be based on market transactions. In determining the present value, the cash flows are evaluated by the manager on each balance sheet date. For the valuation, a discount rate is applied that is tailored to the risk profile of the investment. The risk profile includes estimates and assumptions regarding the situation and developments in the shipping sector and if applicable, processes the relevant sub-markets. NBZ bases the assumptions on its experience and expectations of the shipping market.

For the cash flows from investments, NBZ assesses when and to what extent the cash flows will be received based on the aforementioned situation and developments in the relevant shipping sectors. The risk-free discount rate is based on USD risk-free yield curves. Risk premiums depend on the estimates of the risk profile. NBZ includes in these estimates the contractual revenues that the shipping company generates (time charter revenues less operating expenses), any subordination of its (mortgage) rights, the condition of the ship (collateral), the expected residual value and other relevant factors for the specific asset (investment). The valuation considers the uncertainty regarding the receipt of the cash flow and the risk premium in the discount rate. If recent market quotations are available for comparable investments (which have been established in an active market), the determined fair values are tested against this market information. Specific considerations in the valuation of the investments are set out in the notes to these investments.

Unrealized changes in the fair value of the investments are presented separately in equity under the revaluation reserve (in accordance with Article 390 of Book 2 of the Dutch Civil Code). The revaluation reserve will not show a negative position for each individual investment, negative positions are charged to the result. The revaluation reserve concerns the allocation of the free reserves for unrealized revaluations of the participations. If necessary, deferred taxes have been considered. Given the tax position of NBZ, this effect is nil.

Investments in joint ventures

A joint venture is a form of partnership. These are participations over which NBZ has agreed joint control with other contracting parties and for which strategic decisions on financial and operational policy are taken with unanimous consent. NBZ is only entitled to the net assets of joint ventures.

Joint ventures are valued at cost on initial recognition. Subsequently, these joint ventures are accounted for using the equity method (equity method) on the basis of the valuation principles of NBZ, less accumulated impairment losses, if relevant. When the share of NBZ in the negative results is greater than the value of the interest in the joint venture, the carrying amount of the joint venture is valued at nil and further losses are no longer taken into account.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are determined using the liabilities method, based on the temporary differences between the taxable value of assets and liabilities and the carrying amount in the consolidated balance sheet. Deferred taxes are determined based on the expected relevant tax rates at the time the tax asset or liability is settled. Deferred tax assets and liabilities arise for temporary deductible differences and temporary taxable differences respectively. Deferred tax assets are recognized to the extent that it is probable that future taxable income can be offset against the temporary difference.

Receivables and other receivables

Receivables and other receivables are initially recognized at fair value, increased by any costs associated with entering into the receivable. Subsequent valuation is at amortized cost based on the effective interest method less a credit provision for future bad debts, if deemed necessary. Receivables with a term of less than one year are not discounted unless the time value is significant.

Cash and cash equivalents

Cash and cash equivalents are bank balances. Due to its short-term nature, the nominal value is equal to the fair value.

Long-term liabilities

Long-term liabilities are initially recognized at fair value less any costs associated with incurring the liability. After initial recognition, interest-bearing debt is stated at amortized cost using the effective interest method.

Creditors and other liabilities

Creditors and other liabilities are initially recognized at fair value less any costs associated with incurring the liability. After initial recognition, interest-bearing debt is stated at amortized cost using the effective interest method. Liabilities with a maturity of less than one year are not discounted unless the time value is significant.

Offsetting

Items of similar assets and liabilities are netted per counterparty if there is a contractual and statutory right to set off, if there is an intention to set off and the receivables and debts to be set off have corresponding terms.

Accounting policies for the consolidated statement of profit or loss and of comprehensive income

Income from loans and participations in ships

Income from loans and participations in ships includes the interest income from the loans granted and the value changes in the fair value of participations in ships.

Interest income

Interest income on receivables and loans are accounted for using the effective interest method.

Results of investments in joint ventures

Under results from investments in joint ventures, the share of NBZ in the result of the joint venture is included based on the equity method and the valuation principles of NBZ.

Interest expenses

The interest expense on liabilities and debts is accounted for using the effective interest method.

Other costs

Other costs are allocated to the year to which they relate.

Corporate income tax

All NBZ group companies are subject to Dutch corporate income tax with the exception of NBZ Norway AS. NBZ Norway AS is subject to local applicable tax laws. For some participations the tonnage tax regime is applicable. Therefore the result from those participations is taxed according to the tonnage tax regime.

Foreign currency transactions and currency conversion

The consolidated financial statements are prepared in US dollars, the company's functional currency. NBZ uses the US dollar as a functional and presentation currency because the US dollar is the main currency for shipping financing.

Transactions in foreign currencies are converted to the functional currency at the exchange rate on the transaction date. Non-monetary assets and liabilities, if any, are translated at the exchange rate on the trade date. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date. Currency results arising from the settlement of such transactions are recognized in the profit and loss account under other financial income and expenses.

If the functional currency of subsidiaries deviates from the US dollar, the exchange differences resulting from conversion are recognized under exchange rate differences (NBZ Norway) in equity. The cumulative exchange rate difference is credited or charged to the result on any sale of a subsidiary.

The exchange rate of 1 USD per balance sheet date amounts to 0,88230 USD or 1 EUR = 1.13340 USD (31 December 2020: 1 USD = 0.81406 EUR or 1 EUR = 1.2284 USD)

Accounting policies for the consolidated cash flow statement

The cash flow statement has been prepared using the indirect method. The cash in the cash flow statement consists of cash and cash equivalents.

Cash flows from investing activities include cash flows for investments. Interest income and expenses directly related to this have been allocated to the investing activities. The cash flows from financing activities include the cash flows with investors and providers of loan capital (only for the receipt and payment of principal amounts).

Related parties

The following can be distinguished as related parties of NBZ: subsidiaries, joint ventures, shareholders with significant influence, the manager (Annexum Beheer B.V.) and its parent company and the supervisory board.

Stichting Beleggingsrekeningen NBZ

At year-end 2021, 44,436 A shares of the company were held by Stichting Beleggingsrekeningen NBZ. Stichting Beleggingsrekeningen NBZ issues participations to investors for these shares (year-end 2020: 115,454 participations).

Annexum Beheer B.V.

Regarding the management of NBZ, the companies and Annexum Beheer B.V. concluded a management agreement (see notes to the management fee). In this agreement, among other things, the work to be performed is agreed, such as:

- performing general management tasks;
- organizing share issues, approaching and negotiating with potential investors;
- preparing to make and manage investments;
- maintaining contacts with all parties involved (investors and regulators);
- preparing and distributing financial reports etc.

Related party transactions

The receivables, liabilities and transactions are explained below:

Receivables and liabilities

(x USD 1.000)	**Receivables 2021**	**Liabilities 2021**	**Receivables 2020**	**Liabilities 2020**
B.V. NBZ-Shares B1	-	-	-	-
B.V. NBZ-Shares B3	-	-	-	-
Stichting Beleggingsrekeningen NBZ	42	-	54	-
Svetlana Shipping C.V.	-	-	-	-
Svetlana B.V.	-	1	-	1
NBZ Co-Man Comp.1 B.V.	-	-	-	-
As of 31 December	42	1	54	1

Transactions

(x USD 1.000)	**Charged costs**		**Managementfee**		**Dividend**		**Refunds**	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
B.V. NBZ-Shares B1	-	-	-	-	-	1	-	-
B.V. NBZ-Shares B2	-	-	-	-	-	1	-	-
B.V. NBZ-Shares B3	-	2	-	-	-	1	-	-
B.V. NBZ-Shares B4	-	-	-	-	-	1	-	-
B.V. NBZ-Shares B5	-	-	-	-	-	1	-	-
Svetlana Shipping C.V.	-	-	-	-	-	-	-	-
Annexum B.V.	220	154	34	37	-	-	-	-
	220	156	34	37	-	5	-	-

Management fee

During the reporting year the management of the company was conducted by Annexum Beheer B.V. The management fee to be remunerated is set at 2% of the capital invested by the company with a minimum of actual management costs plus a fee (excl. VAT) of 34,050 EUR (2020: 30,000 EUR). At the Extraordinary General Meeting of Shareholders of 15 October 2019, it was decided on a result-related annual increase in the fees to the Manager, the management, and the Supervisory Board. This fee increase is equal to 1/3 of the percentage increase in the investment portfolio, up to a maximum portfolio size of USD 20 million.

Principles of segmentation

No separate explanation has been included about segmentation, as NBZ only focuses on activities related to investments in ships.

In addition, the information assessed by the chief operating decision maker (CODM) is the same as the information reported in the financial statements of NBZ.

Portfolio Turnover Rate

The portfolio turnover rate (PTR) indicates the turnover rate of the portfolio. The PTR does not apply to investment funds that exclusively invest in real estate on the basis of Article 123.2 BGfo. NBZ invests exclusively in ships and thereby provides loans/financial instruments to finance ships. From an informative point of view, it has been decided to include the PTR calculation because NBZ's investments have a relationship with real estate. The results of the PTR calculation may provide less information than about real estate.

The prescribed formula for calculating the PTR is: [(purchases of securities + sales of securities) -/- (subscription of units + redemptions of units)] / the average net asset value of the company.

For NBZ, securities purchases mean the investment in a ship as well as the issuance of loans. This includes the part of the investment that is financed with loan capital. Securities sales also include redemptions on loans granted by NBZ.

The average net asset value of the company is calculated by: the sum of the net asset value of all observations / the number of observations. The observations are made on 31 December of the previous financial year, 31 March, 30 June, 30 September and 31 December. The observations on 31 December of the previous financial year and of the current financial year are each weighted at 0.5; the other observations are weighted 1.0.

Based on the aforementioned calculation, the PTR will be 44% in 2021 (2020: 44%). In this calculation, gross investment is used (before deduction of bank financing), and any repayments of loans granted by shipping companies are not defined as securities sales in this formula.

Notes to the consolidated balance sheet and profit and loss account

1. Loans issued

The movement of the loans can be specified as follows:

(x USD 1.000)	**2021**	**2020**
As of 1 January	-	396
Repayment received from MT Michelle, refinancing	-	-396
Penalty interest to be claimed	-	-
As of 31 December	-	-

(x USD 1.000)	**2021**	**2020**
Classification		
Long-term loans	-	-
Short-term loans	-	
As of 31 December	-	-

2. Participations in ships

Movements in investments in participations in ships can be specified as follows:

(x USD 1.000)	Henrietta	Eagle II	North Sea Gas	Nordic Handysize	Parchem III	Thor Dahl	RF Tankers	Brasgas	Super Greenship	Forest Wave	Partankers	Momentum	Total
As of 1 January 2020	350	490	563	521	612	402	414	419	1,116	-	-	-	4,887
Investments	-	-	-	-	-	-	-	-	-	1,218	-	-	1,218
Disposals (sales)	-	-	-	-	-	-	-	-	-	-	-	-	-
Refunds	-181	-72	-28	-	-	-134	-41	-63	-	-	-	-	-519
Change in fair value	23	55	61	-167	-9	104	165	46	85	61	-	-	424
As of 31 December 2020	192	473	596	354	603	372	538	402	1,201	1,279	-	-	6,010
Classification as of 31 December 2020													
listed as long-term	-	408	517	-	485		525	344	1,201	1,279	-	-	4,759
listed as short-term	192	65	79	354	118	372	13	58	-	-	-	-	1,251
As of 31 December 2020	192	473	596	354	603	372	538	402	1,201	1,279	-	-	6,010
Investments	-	-	-	-	-	-	25	-	-	-	546	1,194	1,765
Disposals (sales)	-	-	-	-	-	-	-	-	-	-	-	-	-
Refunds	-203	-	-	-45	-261	-343	-	-	-377	-	-34	-	-1,263
Change in fair value	11	72	-62	302	43	631	-52	133	228	934	41	9	2,290
Classification as of 31 December 2021													
listed as long-term	-	-	410	-	-	-	484	353	1,052	2,213	434	1,100	6,046
listed as short-term	-	545	124	611	385	660	27	182	-	-	119	103	2,756
As of 31 December 2021	-	545	534	611	385	660	511	535	1,052	2,213	553	1,203	8,802

The risk profile of the participations in ships mainly consists of a decrease in the value of the participations because of economic conditions in shipping. The short-term part will be sold or redeemed in 2022.

NBZ's investments as of 31 December 2021 include the following participations:

1. MT Eagle. The MT Eagle is a long-range product tanker of 74,000 dwt, built in China and delivered in 2009. NBZ participates at 6.5% in UACC Bergshav Tanker II DIS, the owner of the vessel. The charterer, United Overseas Group, has taken the vessel on a five-year bareboat charter agreement until December 2022. The vessel operates worldwide. The bareboat charter agreement includes put and call options. Start date of investment by NBZ: 29 December 2017. Exposure of NBZ as at 31 December 2021: USD 545,000.

2. MT Gas Mariner, MT Gas Master. The Gas Mariner and the Gas Master are LPG carriers of 3,400 dwt, built in Turkey and delivered in 2007. The vessels are commercially operated by B-Gas Ltd on medium-term contracts within the northwest European area. Until the end of January 2022, NBZ owned 5.25% of the shares of North Sea Gas AS (NSG), the owner of the two vessels. On 28th of January 2022, NSG merged with B-Gas Maud Ltd, owner of the MT Gas Maud and Bergshav Shipping Ltd, owner of the MT Gas Margrethe, the MT Gas Neptune and the MT Gas Venus. The name of the merged company and the new owner of the six gas carriers is B-Gas NGC Ltd. B-Gas Ltd is the commercial manager of the six vessels. NGC owns 1.75% of the new company B-Gas NGC Ltd. Start date of (original) investment by NBZ in NSG: 14th of March 2017. Exposure of NBZ as at 31 December 2021: USD 534,000.

3. MS Elbia, MS Elenia. The MS Elbia and the MS Elenia are handysize bulk carriers of 35,000 dwt, built in Korea and delivered in 2011. NBZ owns 3% of Nordic Handysize III AS, the owner of the aforementioned two vessels. The vessels were bought in 2018 for USD 10.6 million each. The MS Elbia was sold in January 2022 for USD 16.7 million. The remaining vessel, the MS Elenia, is on TC until the beginning of 2023 at a rate of USD 21,750 per day. The commercial operator is Nordic Hamburg. Start date of investment by NBZ: 1 November, 2017. Exposure of NBZ as at 31 December 2021: USD 611,000.

4. MT Caribe Cristina and MT Caribe Maria. The MT Caribe Cristina and the MT Caribe Maria are chemical tankers of 11,300 dwt, built in Korea. NBZ is 7% owner of Parchem III AS, the former owner of the vessels. The vessels were on bareboat charter to Caribe Tankers Ltd. Both vessels were sold during the last quarter of 2021; following this sale Parchem III AS has been liquidated in February 2022. The final gross return on investment (IR) generated by NBZ is estimated to be approximately 7.9% p.a. Start date of investment by NBZ: 7 September 2018. Exposure of NBZ as at 31 December 2021: USD 385,000.

5. Thor Dahl Shipping AS. In 2017, NBZ obtained an ownership of 3% in Thor Dahl Container DIS, owner of the MS Thorsky and the MS Thorswind, both 2,169 TEU container vessels built in Germany and delivered in 1999. At the end of 2019, the investment was restructured whereby the two vessels were swapped for an ownership of 3.5% in Thor Dahl Shipping AS (TDS). Besides the Thorsky and the Thorswind, TDS owns a 34% participation in the MS Thorstar, a 2,800 TEU vessel, built in 2003. In June 2021 TDS sold the MS Thorsky and the MS Thorswind to a Norwegian entity (TDS Containerships VI AS) and took an interest of 25% in this company. Soon afterwards, TDS Containerships VI AS sold the MS Thorsky. The interim gross return on the investment (IR), taken into account the sale and the estimated future income on the remaining partly owned vessels, amounts to approximately 39% p.a. Start date of the investment by NBZ: 9 October, 2018. Exposure of NBZ as at 31 December 2021: USD 660,000.

6 MT Azra-S and MT Ozden-S. The MT Azra-S and the MT Ozden-S are chemical tankers of 5,800 dwt, built in Turkey and delivered in 2006/07. NBZ is 7% owner of RF Tanker AS, the owner of the vessels. Both vessels are on a 1 year TC to Christiania Shipping AS as from April-May 2022. Start date of investment by NBZ: 2 July, 2019. Exposure of NBZ as at 31 December 2021: USD 511,000.

7 MT Kempton. The MT Kempton is an LPG carrier of 5,000 dwt, built in Japan and delivered in 2000. NBZ owns 18% of BrasGas IS, the owner of the vessel. The vessel is on bareboat contract until 2025 to Transgas Shipping Lines SAC, Peru. The bareboat agreement includes a put option at the end of the contract period. Start date of the investment by NBZ: 29 November 2019. Exposure of NBZ as at 31 December 2021: USD 535,000.

8 MT Arctic and MT Antarctic. The MT Antarctic and the MT Arctic are suezmax tankers of 165,000 dwt each. NBZ owns 3% of Partankers XVII AS, the owner of the two vessels. Both vessels are bareboat chartered to Tsakos Energy Navigation Ltd (listed on NYSE) for a period of five years (plus three options of one year). Start date of the investment by NBZ: 17 June 2021. Exposure of NBZ as at 31 December 2021: USD 553,000.

9 MS Vectis Eagle, MS Vectis Falcon, MS Vectis Harrier, MS Vectis Osprey (Vectis vessels). The Vectis vessels are multipurpose (MPP) geared (2 x 80t) vessels of 8,600 dwt, built in the Netherlands and delivered in 2012. NBZ owns 5.6% of Super Greenship BV, the owner of the vessels. The MS Vectis Eagle was sold during the last quarter of 2021. Carisbrooke is the manager of the vessels. Start date of the investment by NBZ: 17 December 2019. Exposure of NBZ as at 31 December 2021: USD 1,052,000.

10 MS FWN Bonafide, MS FWN Rapide, MS FWN Solide, MS FWN Splendide (FWN vessels). The FWN vessels are multipurpose (MPP) geared (2 × 80t) vessels of 10,500 dwt, built in the Netherlands and delivered in 2006. NBZ owns 11.8% of the CVs owning the vessels. The vessels are on time charter to Forest Wave until October 2024. There is a put/call arrangement between NBZ and Forest Wave for 50% of the shares. Start date of the investment by NBZ: 26 March 2020. Exposure of NBZ as at 31 December 2021: USD 2,213,000.

11 MS Momentum. The MS Momentum is a multipurpose (MPP) geared (2 × 80t cranes) vessel of 10,500 dwt, built in the Netherlands in 2010. NBZ owns as limited partner 15% of Momentum CV, the owner of the vessel. Part of the investment (USD 590K) was not paid in cash. Shares have been issues for this transaction. Forest Wave Navigation is the commercial manager. To limit the downside risk, NBZ and the seller of the participation came to an agreement regarding the limitation of the downside risk for NBZ during the first two years of operation. NBZ has an option to put the vessel up for sale in 2025. Start date of the investment by NBZ: 6 December 2021.

Determination of fair value

Vessel participations have no publicly available market information. However, information is available on transactions in the assets of the holdings in ships, as this information is made available by the manager of the SPVs on request. Apart from NBZ's purchase of the 3% share in the motor tankers Arctic and Antarctic and the purchase of the 15% share in the motor vessel FWN Momentum, there was one market transaction of an entity in which NBZ participated during 2021, namely in Nordic Handysize III AS.

Changes measurement level

As at 31 December 2021, the shareholding in Partankers XVII AS, Momentum CV and Nordic Handysize III AS are measured at Level 3 based on recent market transactions (3RT).

Level 3 measurement based on recent market transactions

For participations in the above companies, the above transactions are used as a basis for determining fair value with adjustments for interest, dividends paid and capital repayment if necessary. This takes into account any subsequent events after the transaction date that may give cause for derogation from this policy. The fair value hierarchy is explained in note 10.

Level 3 measurement based on DCF method

The measurements of the shares held in the companies UACC Bergshav II DIS, Henrietta Product DIS, North Sea Gas AS, Parchem III AS, Brasgas IS, Thor Dahl Shipping AS, RF Tanker AS, Super Greenship BV and the shares held in the four Forest Wave CV's are measured on the basis of Level 3 measurement, applying the DCF method at the end of December 2021. NBZ tests the risk premium in its investment decision, where the risk factors as set out in the investment policies are taken into account. The diversity of investments and uncertainties explain the range of risk premiums applied by NBZ to determine the fair value of the investments based on the following details:

Measurement method	Income approach, present value method
Cash flow horizon	2021 through 2027
Risk-free interest rate	1% - 2%
Risk premium applied	5% - 8%

Risk-free interest rate & applied risk premium
The risk-free interest rate is based on the US government bond rate that corresponds to the average term of the investment. The risk premium is a result of several input variables that are based on the market risk of the maritime sector, economic state of the specific sub-sector, maturity of the investment, marketability of the investment, financing structure of the investment and individual mark-ups and/or mark-downs. The risk-free rate and the applied risk premium together constitute the discount rate of the estimated or fixed future cash flows associated with the investment. All variables and input data required to create the (individual) discount rate and methodology are reviewed at least annually, most recently as at 31 December 2021.

Credit risk
Credit risk of the shipping company is factored into the measurement in the applied risk premium. For investments with less certain future cash flows, NBZ requires a higher risk premium at the time of investment. During the term of the investments, the performance of the investment is evaluated and the risk premium applied to determine fair value is adjusted as necessary. Most of the vessels are leased on the basis of hull or time charter contracts, so the fund is exposed to occupancy risk of the vessels to a limited extent.

Quantitative impact analysis
The two main parameters applied in the measurement model are estimated sales value of the underlying vessels at the end of the investment period, and the discount rate applied. In determining the estimated sales value at the end of the investment period, the estimated sales value as at 31 December 2021 is used as a basis. For this purpose, NBZ uses references from an external specialist. Then, based on the remaining term of the relevant investment, an estimate is made of the sales value at the end of the investment term. This takes into account agreements on selling prices at the end of the term (e.g. put and call options). If no such agreements have been made, depreciation is applied until the end of the remaining term of the investment.

Impact change estimated sales price as at 31/12/2021 on total value of assets		
Change in estimated sales price	deviation measurement of	% change in value of assets
-30%	-1,392	-16%
-15%	-696	-8%
15%	696	8%
30%	1,539	18%

Regarding the impact of a change in the applied discount rate on the total value of the assets, please refer to the table below.

Change in discount rate	deviation measurement of assets	% change in value of assets
-4%	546	8%
-2%	263	4%
2%	-245	-4%
4%	-474	-7%

As mentioned above, an external specialist advises on the sales value as at the closing date of each financial year of the vessels in which NBZ invests. This external specialist is also consulted when buying and selling investments. In addition, this external specialist is called in throughout the year when changes in market conditions require advice.

3. Other receivables

The other receivables can be specified as follows:

(x USD 1.000)	**2021**	**2020**
Receivables from related parties	42	54
Accruals	4	63
VAT receivable	8	-
As of 31 December	54	117

The difference between the carrying amount and the fair value is nil.

4. Cash and cash equivalents

(x USD 1.000)	**2021**	**2020**
Current account Banks (USD)	105	337
Current account banks (EUR)	222	64
Current account banks (NOK)	-	1
As of 31 December	327	402

The cash and cash equivalents are at the free disposal of NBZ. The difference between the carrying amount and the fair value is nil.

5. Group equity

Share capital

As of 31 December 2021, the authorized capital amounts to 2.5 million EUR divided into 70 million A shares with a nominal value of 1 EUR per share. There is an equal right to profit on A shares and B shares. Each A share gives the right to cast one vote. Each B share entitles the holder to cast 1,000 votes. All shares are fully paid up and paid.

Nominal

At the choice of the shareholder, a conversion took place during financial year 2020 from 27,510 B shares to 27,510 A shares. This conversion has no financial impact for NBZ, except for the impact on the mutual distribution of components within the equity.

Conversion

Given that the shares are issued in EUR and the functional currency of NBZ is USD, a price result is calculated periodically on the issued shares. For the 2021 financial year, the movement within equity as a result of the exchange rate result amounts to 76,000 USD (2020: 141,000 USD).

The movement overview of shareholders' equity provides a reconciliation of the movement in the number of issued and fully paid up shares. A 0.53 USD dividend was paid per share for the financial year (2020 dividend: 0.12 USD).

For a more detailed explanation of the management of the capital of NBZ, of which equity capital is a part, reference is made to the note “Capital risk management”. NBZ has no specific obligation to comply with capital requirements of supervisors or comparable bodies.

Share issue & repurchase

In 2021 a total of 99.428 shares were issued apart from stock dividend issues (35.532 shares). The total proceeds from the issue amounted to approximately 590,000 USD. NBZ announced a shares purchase program against a weighted average share price during the offering period. In total 36.847 shares were thus purchased for a price of EUR 3.86 per share (USD 163,000);

The movement of the share capital can be specified as follows:

(x USD 1.000)	Shares A	Paid-up and called-up capital	Shares premium
As of 1 January	795.658	978	6.240
Stock dividend	35.832	42	80
Share issue	99.428	112	478
Repurchase of shares	-36.847	-43	-
Currency change in share capital	-	-76	-
As of 31 December	894.071	1.013	6.798

Share premium

The share premium reserve consists of the capital raised from the issue of shares insofar as these exceed the nominal amount of these shares. Shares are issued in euros, with transactions being converted to the functional currency based on the exchange rate on the transaction date.

Revaluation reserve

The revaluation reserve concerns the allocation of the free reserves for the revaluation of the participations. If necessary, deferred taxes have been taken into account. Given the tax position of NBZ, this effect is nil.

	2021
As of 1 January	1.346.000
Movement:	
Revaluation participations in ships	2.290.000
Release of realized revaluations	- 316.000
	1.974.000
As of 31 December	3.320.000

6. Long term liabilities

(x USD 1.000)	**2021**	**2020**
As of 1 January	-	-
Bonds issued	725	-
As of 31 December	725	-

(x USD 1.000)	**2021**	**2020**
Classification		
Long-term loans	725	-
Short-term loans	-	-
As of 31 December	725	-

The bonds issue refers to an issuance of 29 first tranche notes to subscribers with a principal value of USD 25,000 per note, totalling an issuance of USD 725,000. This amount is redeemable on 11 June 2025. Interest shall accrue on the outstanding amount at a simple rate of 6% per year on the basis of a 365-day year payable on redemption.

24 of the first tranche notes were issued to a related party. Ithaca Holding B.V. owns approximately 6% of the shares of NBZ.

7. Other liabilities

The other liabilities can be specified as follows:

(x USD 1.000)	**2021**	**2020**
Accountingcosts	108	110
VAT payable	-	13
Interest payable	20	-
Dividend tax	32	-
Other	102	78
As of 31 December	262	201

The difference between the carrying amount and the fair value is nil.

8. Arrangements and commitments not shown in the balance

Fiscal unit

During 2021 multiple subsidiaries were liquidated. R. Star Management B.V. is included in the consolidation up to and including 22 September 2021. NBZ CO-MAN COMP.1 B.V. is included in the consolidation up to and including 28 September 2021. SPVNautilus B.V. is included in the consolidation up to and including 25 October 2021. NBZ Norway AS is included in the consolidation up to and including 25 October 2021. Each company (NBZ and Venere Scheepvaart B.V.) in the fiscal unity is liable for corporate tax obligations.

Called-up capital obligation for participations in

The investments UACC Bergshav II DIS and Kempton are subject to a possible callable payment obligation of additional equity "uncalled capital obligation" of USD 260,000 and USD 553,000 respectively.

9. Financial risks

Financial risks are involved in investing in general, as well as in investing for the purpose of financing ocean-going vessels. Potential investors in investments in NBZ are requested to take due note of the fact that the value of the investments of the Company can and is expected to fluctuate. As a result, the net asset value of NBZ and therefore the net asset value of the investments in NBZ will be subject to fluctuation. There is a possibility that the value of the investment will increase; however, it is also possible that the investment will generate little or no income and that the shareholders' investment will be wholly or partly lost in the event of an unfavourable price trend. Past performance is no guarantee of future results.

The various risks associated with an investment in investments in NBZ are described in more detail below. The manager of NBZ monitors the risks on the basis of, among other things, a periodic assessment of the quality of the individual investments, market data, reports from the owner of the vessel or the borrower, and periodic reports from the advisors and other service providers. The various risks to which an investment in NBZ is subject are also described in the 2011 Prospectus of NBZ, dated November 15, 2011, the 2016 Prospectus, dated April 15, 2016 and the prospectus dated January 22, 2020.

The main risks relating to the investments of NBZ as well as to the financial liabilities and therefore significant risks to the net asset value of NBZ are summarized below.

The financial risks of NBZ consist of credit risk, liquidity risk and market risk.

Credit risk

NBZ has exposure to credit risk on its investments and financings due to the fact that borrowers (in this case shipping companies) are partly or entirely unable to meet their obligations. NBZ requires securities when providing investments and financing. NBZ pursues an active policy to limit credit risk. For investments, a check is made as to whether the following criteria are sufficiently present:

- Reliable and strong other party;

- Additional securities or guarantees;

- Reliable cash flows of the investments from the moment of investment;

- Clarity about termination of NBZ involvement (for example, by entering into a call and put option at the end of the desired term);

- Maximum investment per vessel is USD 10 million with funds from NBZ. In addition, additional financing with borrowed capital is possible;

- Operational risks of the vessel (rental income, operational cost overruns or, for example, insurance) should preferably be covered in advance by the user of the vessel.

For the extent of the specific investments, reference is made to the notes "Investments in loans", note "Participations in ships" and note "Investments in joint ventures".

NBZ aims to spread its investments over various parties in order to limit its credit risk. The investments in participations in ships include interests in four different parties.

Cash and cash equivalents (totalling USD 327,000) consist of USD 105,000 in bank balances held at ING Bank. The ING bank has a rating of Aa3 (Moody's July 22, 2021).

The credit risk per counterparty is weighted per investment and incorporated into NBZ's valuation models to the best of our knowledge in relation to the most recent market developments.

By only operating in the shipping market, NBZ has a concentration risk in this market. This risk is inherent to the investment strategy of NBZ.

Credit risk IFRS 9

The financial instruments subject to the ECL model within IFRS 9 are: loans U/G, other receivables and cash and cash equivalents. On the 31th of December 2021, the total of these instruments amounted to USD 0.4 million (maximum credit exposure), with a credit provision of nil (31 December 2020: total of USD 0.4 million with a credit provision of nil). These instruments contain a market inherent concentration of credit risk, none of the instruments are impaired and no write-downs have been made in the period.

The remaining receivables are expected to be received within three months or less. An amount is considered in "default" if it has not been received 90 days after it is due.

Since, besides loans u/g only other receivables and cash are affected by the IFRS 9 ECL model, the company has used practical applications for this. The credit provision is based on the lifetime ECL. For other receivables, the provisions matrix based on the simplified approach was used and for cash and cash equivalents, the 'low credit risk exemption' was used.

The 12-month ECL model was used for expected credit losses on loans receivable. The loans did not initially increase significantly in credit risk after issuance. The possible foreclosure of the collateral is taken into account when determining the expected credit loss. The increase can be offset by the increase in the value of the collateral. The expected credit loss of loans u/g is fully compensated by the possible foreclosure of the collateral.

The company is exposed to credit risk on participations in ships. This category of financial instruments is not subject to the impairment requirements of IFRS 9, as they are measured at fair value through profit or loss.

Liquidity risk

Liquidity risk is the risk that the fund has insufficient liquidity to meet its payment obligations. At year-end 2021, the fund mainly has payment obligations from operating costs and interest costs related to the outstanding notes. The future outgoing (contractual) cash flows are shown below.

(x USD 1.000)	**More than one year**	**Under one year**	**Total**
2021			
Bond loan	725	-	725
Other liabilities	-	262	262
Total	-	262	262

(x USD 1.000)	**More than one year**	**Under one year**	**Total**
2020			
Bond loan	-	-	-
Other liabilities	-	201	201
Total	-	201	201

In addition to the other current liabilities, there is also “uncalled capital” which can pose a liquidity risk when this capital is called up. This is further explained in note 9.

In the first quarter of 2021, NBZ decided to issue a bond with a maximum amount of USD 4,000,000, to be divided into 6 Tranches, each with a term of 4 years. The redemption of the Tranches will be made in full at the end of the term. A fixed interest rate of 6% per year applies for the entire term. The placement of this loan is planned in 2021 and 2022. NBZ runs a liquidity risk with regard to the annual interest payment. In addition, NBZ runs a liquidity risk with regard to the repayment of the tranches 4 years after the placement.

Market risk

Market risk can be divided into interest rate, price and currency risk.

Interest risk

NBZ is exposed to risk due to changes in interest rates that may lead to a higher or lower valuation of investments in loans or participations in ships. The valuation of the investments is determined on the basis of present value calculations of NBZ. Changes in the market interest rate have no consequences for the loans u/g as these have a fixed interest rate and cost price valuation is applied.

Changes in the market interest rate lead to changes in the value of the investments. Market factors are used as much as possible in NBZ's valuation models. For the investments, a one percent increase in interest rates results in a decrease in the value of the investments of USD 0.1 million (2020: USD 0.1 million). A one percent decrease in interest rates leads to an increase in the value of the investments in loans of USD 0.1 million (2020: USD 0.1 million). This assumes that only the risk-free interest rate changes and all other factors remain the same. This effect does not apply to issued loans valued at amortized cost.

Pricing risk

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market prices (other than through credit and/or interest rate risk). NBZ may be exposed to price risk for its investments in participations in ships and on the residual value of its financial lease. In the event that the price of the investments increases by 10%, this has an effect on the valuation of USD 0.5 million (2020: USD 0.5 million), assuming that all other factors (including interest) remain the same.

Currency risk

The Company reports in US dollars, the dominant currency in the shipping industry. Investments, equity and liabilities are denominated in US dollars. The Company is exposed to a limited currency risk on cash held in Euros and on operating liabilities (creditors) in Euros related to the business operations in a Euro-based environment. This risk is not material. NBZ shares are traded on the stock exchange in Euros.

Fair value

Fair value loans

The fair value of the loans is consistent with the book value.

Fair value hierarchy

The fair value of financial assets and liabilities requiring disclosure at the level of the fair value is as follows:

(x USD 1.000)	2021			2020		
	Carrying amount	Fair value	Fair value hierarchy	Carrying amount	Fair value	Fair value hierarchy
Assets						
Participation in ships	6,432	6,432	3DCF	4,731	4,731	3DCF
Participation in ships	2,370	2,370	3RT	1,279	1,279	3RT
	8,802	8,802		6,010	6,010	

As at 31 December 2021, the shareholding in Partankers XVII AS, Momentum CV and Nordic Handysize III AS are measured at Level 3 based on recent market transactions (3RT). The measurements of the shares held in the companies UACC Bergshav II DIS, North Sea Gas AS, Parchem III AS, Brasgas IS, Thor Dahl Shipping AS, RF Tanker AS, Super Greenship BV and the shares held in the four Forest Wave CV's are measured on the basis of Level 3 measurement, applying the DCF method at the end of December 2021.

The fair value hierarchy has the following levels:
- Level 1: Fair value is based on available prices from active markets.
- Level 2: Fair value is derived from publicly available market information.
- Level 3: The following variants were used:
o RT: Fair value is derived from recent market transactions.
o DCF: The fair value is derived from valuation models based on the discounted cash flow method in which one or more significant input factors are based on internal data.
NBZ values loans u/g at amortized cost price and the investments in participations in ships at fair value.

For the valuation methods and the associated fair value level, please refer to the valuation principles and the specific notes on financial assets and liabilities.

Statement of changes in investments on level 3
The total statement of movements of loans u/g and investments in ships in level 3 of the fair value hierarchy (both RT and DCF) is as follows:

(x USD 1.000)	**2021**	**2020**
As of 1 January	6,010	4,887
Purchases	1,765	1,218
Repayments and Divestments	-1,263	-519
Mutation fair value	2,290	424
As of 31 December	8,802	6,010

10. Subsequent events
The MS AS Elbia, owned by Nordic Handysize III AS, was as planned delivered to buyers in January 2022. Nordic Handysize III AS keeps the ownership of the MS AS Elenia.

In January 2022, North Sea Gas AS, owner of the MT Gas Master and the MT Gas Mariner, merged with B-Gas Maud (owner of the MT Gas Maud) and Bergshav Shipping Ltd (owner of the MT Gas Margrethe, the MT Gas Neptune and the MT Gas Venus). The new company owning the 6 LPG carriers is called B-Gas NGC ltd. NBZ will have an ownership of 1.75% in the new company.

After the sale in 2021 of the remaining two chemical tankers owned by Parchem III AS, the MT Cristina and the MT Maria, Parchem III AS liquidated in February 2022 and the sales proceeds were subsequently distributed according plan to the shareholders.

The MS Vectis Falcon, owned by Super Greenship BV, was sold for EUR 9 mln gross. Delivery is planned in April 2022.

NBZ sympathizes with the victims of the war in Ukraine and hopes that this human tragedy will soon come to an end. From an economic point of view, wars in the past have often led to an increase in market rates as disruption of trading trade routes often causing an increase in the demand for shipping space because of an increase of tonne-miles. Currently we don’t notice any substantial impact on the charter rates, but this might change in the coming period.

11. Transaction and investment costs
Costs incurred on the investment of the participations in ships are recognized directly in the profit and loss account.

12. Management fee

Below the management fee charged by Annexum Beheer B.V. is specified. The management fee to be reimbursed is set at 2% of the capital invested by the company with a minimum of the actual costs of management plus a fee of € 34,050. No performance fee was paid to the manager in 2020, because the dividend yield did not exceed eight percent in the financial year.

The management fee in can be specified as follows:

(x USD 1.000)	**2021**	**2020**
Fixed fee Annexum	40	36
Costs Finship	44	43
Administrative costs (and tax consultancy costs)	108	67
Costs SGG / IQEQ	26	22
Other costs	36	23
	254	191
2% of the average invested capital	206	167

13. Operating expenses

The breakdown of other operating costs is:

(x USD 1.000)	**2021**	**2020**
Accounting costs	101	103
Remuneration of the supervisory board	36	32
AFM/DNB supervisory costs	23	16
Listing costs AEX, listing agency, etc	27	17
Consultancycosts	-	57
Other costs	23	16
	210	241

Total expense ratio

In the previous section of this note an overview of the costs incurred during the reporting period was provided. In accordance with art. 123.1L BGfo the company must provide insight into the level of costs related to the average net asset value. This ratio is referred to as the “Total expense ratio”(TER). The TER for the financial year amount to 7.91% (2020: 9.31%)

The TER is calculated as follows: total costs dividend by the average net asset value of NBZ.

- Total costs include the costs charged to the result as well as directly to shareholders' equity in the reporting period. The average net asset value of the investment institution is calculated as the sum of the net asset values divided by the number of observations.
- For NBZ, the average net asset values is based on the figures as at 31 December 2020, 31 March 2021, 30 June 2021, 30 September 2021 and 31 December 2021 is weighted in the ratio 0.5: 1: 1: 1: 0.5 . The average of the net asset value of the company for the 2021 financial year is USD 6,917,625 (2020: USD 6,046,811).

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14. Corporate income tax

Corporate income tax expense or income

The company, together with its subsidiary Venere Scheepvaart B.V. form a fiscal unity for corporate income tax in the Netherlands. The corporate income tax shown below relates to NBZ Norway AS. The corporate income tax can be specified as follows:

(x USD 1.000)	2021	2020
Corporate income tax based on nominal rate	-	-39
Addition to or withdrawal of deferred taxes	-	-
	-	-39

The reconciliation between the commercial corporate income tax expense and the actual corporate income tax expense is as follows:

(x USD 1.000)	2021	2020
Result before taxes	1,709	-39
Tax exempt under participation excemption	-227	-
Correction for tonnage tax regime	-940	-
Fiscal result	542	-39
Deferred taxable income	-516	-
Loss compensation	-26	-
Taxable amount	-	-
Dutch tax rate	25.00%	25.00%
Tax expense (income)	-	-10
Effect NBZ Norway	-	-39
Settled against compensable losses	-	10
Corporate tax expense/(income)	-	-39
Effective tax burden NBZ	0.0%	99.2%

NBZ made an analysis of the impact of the commercial income of USD 2.289k on the fiscal position. The income has been divided in four categories:

- Tax exempt under the participation exemption (227k);
- Taxable income to be determined by application of the tonnage tax regime (940k);
- To be taken into account as deferred income as the financial year of realization of income is the moment for taxation (516k);
- To be reported as taxable income in the financial year (sum of residual income (606k), minus costs to be allocated to the financial year -580k) 26k;

Net deferred income is calculated at 542k, being the sum of 26k + 516k.

No deferred tax liability is recognized with regard to the deferred income, as NBZ has compensable losses available to an amount of approximately 1,8M at year end. These losses will no longer evaporate due to new tax rules. No tax asset is recognized for these losses.

Deferred tax assets

NBZ has a deferred tax asset which relates to tax-deductible losses to be set off in the future with positive fiscal results. Future realization depends on raising new capital and making new investments. The manager periodically reassesses the valuation of the losses that can be carried forward. The valuation of tax-deductible losses is not yet under consideration. First the company must provide proof that it is able to realize positive fiscal results for several years. Non-recurring taxable profits were realized in the financial years 2016, 2017, 2018 and 2021.

The following tax deductible losses are not valued in the balance sheet:

(x USD million)			
Deadline for loss compensation 2021	**Compensable loss**	**Deadline for loss compensation 2020**	**Compensable loss**
31 December 2020	-	31 December 2020	2.6
31 December 2021	-	31 December 2021	0.9
Infinite	1.3	31 December 2022	1.3
Infinite	-	31 December 2023	-
Infinite	0.5	31 December 2024	0.5
Infinite	-	31 December 2025	0.2
Infinite	-	31 December 2026	-
Infinite	-	31 December 2027	-
	1.8		5.5

The specification of the tax deductible losses is based on the 2019 corporate income tax return. The 2020 corporate income tax return is still being prepared when the annual accounts are drawn up. The effect of the 2020 and 2021 taxable results on these carry-forward losses has been incorporated herein based on estimates.

15. Earnings per share

In 2021, the weighted average number of outstanding shares is 806,316 (2020: 754,158), this concerns 806,316 A shares (2020: 727,806) and zero B shares (2020: 26,352). Shares A and shares B have equal profit rights.

16. Capital Risk Management

NBZ defines its capital as its group equity. NBZ manages its capital to achieve an optimal return on its invested capital within the defined objective of the fund, which is to invest in seagoing vessels in various market segments. NBZ aims for a dividend yield of 7% to 10%. To achieve this return, NBZ invests in financing for and participations in existing seagoing vessels. In addition, NBZ aims to obtain collateral for these investments. By investing in existing ships, the construction risk of ships is avoided. NBZ invests in ships if they meet the defined investment strategy of the fund.

Depending on the investment options, NBZ finances its investments exclusively through equity or through a combination of debt and equity. The composition of this can change periodically, making it difficult to compare capital ratios for equity and debt for different years. NBZ does not strive for a standard for financing with loan capital. Due to the limited comparability of these ratios, they are not disclosed.

The capital structure as at 31 December is shown in the table below:

(x USD 1.000)	**2021**	**2020**
Group equity	8,196	6,335
Total equity	8,196	6,335

COMPANY FINANCIAL STATEMENTS

Company balance sheet as at 31 December (before profit appropriation)

(x USD 1.000)		**31 Dec 2021**	**31 Dec 2020**
Assets			
Non-current assets			
Investments in group companies		1,104	3,268
Other financial investements		3,832	2,955
	(17)	4,936	6,223
Current Assets			
Other financial investements	(17)	2,756	512
Other receivables	(18)	1,165	1,336
Cash and cash equivalents	(19)	326	369
		4,247	2,217
		9,183	**8,440**
Equity and liabilities			
Group equity	(20)		
Paid-up and called-up capital		1,013	978
Share premium general		15,508	8,952
Share premium shares A		-	6,240
Revaluation reserve		3,320	1,346
Currency translation reserve		-	-7
General reserve		-13,354	-11,096
Profit for the year		1,709	-78
		8,196	6,335
Long-term liabilities			
Bond loan		725	-
		725	-
Short-term liabilities			
Other liabilities	(21)	262	2,105
		262	2,105
		9,183	**8,440**

Company statement of profit or loss

(x USD 1.000)		1 January to 31 December 2021	2020
Income			
Loans	(17)	-	-
Results from investments in joint ventures		-7	-
Other income		7	16
		-	16
Other results			
Participations in ships	(17)	1,309	261
		1,309	261
Operating expenses			
Management fees		-254	-191
Transaction and investment costs		-86	-71
Interest expenses		-42	-19
Currency result		-8	25
Other operating expenses		-189	-227
		-579	-483
Results before taxes		730	-206
Corporate income tax		-	-
		730	-206
Result of group companies	(17)	979	128
Result of the year		1,709	-78

General notes

Accounting policies for the valuation of assets and liabilities and determination of the result

The company financial statements have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code, whereby use is made of the option under Article 2:362 paragraph 8 of the Dutch Civil Code to apply the IFRS principles as applied in the consolidated financial statements.

The principles for the valuation of assets and liabilities and the method for determining the result are the same as those included in the notes to the consolidated balance sheet and profit and loss account, with the exception of participating interests. Participations are valued according to the net asset value method.

Correction of error

In the company financial statements of 2020, the recognition of the purchase of a participation has not been accounted for correctly. The participation was accounted for as a direct purchase of NBZ. In accordance with the purchase agreement, the participation was purchased by the group company Venere Scheepvaart B.V.

In the company financial statements of 2021, the comparative figures have been adjusted accordingly. The equity and the result have not been impacted by the adjustment of the comparative figures. The following lines have been adjusted:

(x USD 1.000)	**Annual report 2021**	**Annual report 2020**	**Difference**
Balance sheet			
Investment in group companies	3,268	3,207	61
Other financial investments	2,955	4,234	-1,279
Other receivables	1,336	118	1,218
Profit or loss			
Participations in ships	261	322	-61
Result of group companies	128	67	61

Notes to the company balance sheet

17. Participating interest, investments and loans

(x USD 1.000)	Group companies	Loans	Participation in ships	Total
As of 1 January 2020	3,140	396	3,550	7,086
Off: repayment on MT Michelle refinancing	-	-396	-	-396
Off: dividend received from participations	-	-	-344	-344
At: change in value of participations in ships	-	-	261	261
At: result of participations	128	-	-	128
As of 31 December 2020	3,268	-	3,467	6,735
At: investment in participations Partankers	-	-	546	546
At: investment in participations Momentum	-	-	1,194	1,194
At: acquisition participations of NBZ Norway	-	-	1,336	1,336
Off: dividend received from participations	-	-	-1,265	-1,265
At: change in value of participations in ships	-	-	1,310	1,310
Off: result form investment in joint ventures	-7	-	-	-7
At: result of participations	979	-	-	979
Off: disinvestments	-3,136	-	-	-3,136
As of 31 December 2021	1,104	-	6,588	7,692

(x USD 1.000)	2021	2020
Classification:		
Long-term share of participations	3,832	2,955
Short-term share of participations	2,756	512
As of 31 December	6,588	3,467

A specification of the group companies is shown below:

(x USD 1.000)	Venere Scheepvaart B.V.	R. Star Management B.V.	NBZ CO-MAN COMP.1 B.V.
As of 1 January 2020	124	62	-
Result of participations	65	-	-
As of 31 December 2020	189	62	-
Disinvestments	-	-65	-
Result of participations	915	3	-
As of 31 December 2021	1,104	-	-

	SPV Nautilus B.V.	NBZ Noway AS	Svetlana B.V.
As of 1 January 2020	933	2,014	7
Result of participations	20	43	-
As of 31 December 2020	953	2,057	7
Disinvestments	-965	-2,106	-
Results from investments in joint ventures	-	-	-7
Result of participations	12	49	-
As of 31 December 2021	-	-	-

18. Other receivables

(x USD 1.000)	**2021**	**2020**
Receivables from related parties	1,152	1,272
VAT receivable	8	-
Other receivables	5	64
As of 31 December	1,165	1,336

In 2020 on a provision of USD 808,000 was deducted on the receivable on related party NBZ CO-MAN COMP.1 B.V. The participating interest is valued at nil. NBZ CO-MAN COMP.1 B.V. was liquidated on 28 September 2021.

19. Cash and cash equivalents

(x USD 1.000)	**2021**	**2020**
Current account Banks (USD)	105	326
Current account Banks (EUR)	221	43
As of 31 December	326	369

The cash and cash equivalents are at the free disposal of the company.

20. Equity

For the explanation of shareholders' equity, reference is made to the notes on shareholders' equity in the consolidated financial statements.

(x USD 1.000)	Shares A Amount	Shares B Amount	Paid-up and called-up capital	Share premium general	Share premium shares A	Revaluation reserve	Currency translation reserve	General reserve	Profit for the year	Total
Position as of 1 January 2020	**624,545**	**27,510**	**315**	**9,037**	**6,368**	**922**	**-7**	**-10,697**	**-208**	**5,730**
Exchange	27,510	-27,510	-351	-	301	-	-	50	-	-
Repurchase OEK shares	-38,303	-	-1	-	-566	-	-	459	-	-108
Stock dividend	11,459	-	14	-37	23	-	-	-	-	-
Share issue	170,447	-	2	-48	972	-	-	-	-	926
Amendment of the Articles of Association	-	-	858	-	-858	-	-	-	-	-
Currency change in share capital	-	-	141	-	-	-	-	-141	-	-
Mutation in revaluation reserve	-	-	-	-	-	424	-	-424	-	-
Dividend	-	-	-	-	-	-	-	-135	-	-135
Appropriation of profit prior year	-	-	-	-	-	-	-	-208	208	-
Profit for the year	-	-	-	-	-	-	-	-	-78	-78
Position as of 31 December 2020	**795,658**	**-**	**978**	**8,952**	**6,240**	**1,346**	**-7**	**-11,096**	**-78**	**6,335**

(x USD 1.000)	Shares A Amount	Shares B Amount	Paid-up and called-up capital	Share premium general	Share premium shares A	Revaluation reserve	Currency translation reserve	General reserve	Profit for the year	Total
Position as of 1 January 2021	**795,658**	**-**	**978**	**8,952**	**6,240**	**1,346**	**-7**	**-11,096**	**-78**	**6,335**
Stock dividend	35,832	-	42	-122	80	-	-	-	-	-
Share issue	99,428	-	112	-	478	-	-	-	-	590
Repurchase of shares	-36,847	-	-43	-120	-	-	-	-	-	-163
Currency change in share capital	-	-	-76	-	-	-	-	76	-	-
Mutation in revaluation reserve	-	-	-	-	-	1,974	-	-1,974	-	-
Dividend	-	-	-	-	-	-	-	-275	-	-275
Transfer	-	-	-	6,798	-6,798	-	7	-7	-	-
Appropriation of profit prior year	-	-	-	-	-	-	-	-78	78	-
Profit for the year	-	-	-	-	-	-	-	-	1,709	1,709
Position as of 31 December 2021	**894,071**	**-**	**1,013**	**15,508**	**-**	**3,320**	**-**	**-13,354**	**1,709**	**8,196**

The currency translation reserve has been released as a result of the fact that there are no longer any participations with a currency other than US dollar.

Conversion of debt NBZ-Management into shares

For the explanation of the conversion of the NBZ-Management debt into shares, reference is made to the notes to the consolidated financial statements under note 9.

Dividend

During the year under review, based on the results for the first three quarters of the year, a dividend of USD 0.53 per share was paid.

Comparative overview of net asset value

The development of the net asset value over the past three years (ex art. 122.1c Bgfo) is as follows:

(x USD 1.000)	**31 December 2021**	**31 December 2020**	**31 December 2019**
Equity	8,195,717	6,335,495	5,730,488
Net asset value per participation	9.17	7.96	8.79
Number of participations	894,071	795,658	652,055

21. Current liabilities

(x USD 1.000)	2021	2020
SPVNautilus B.V.	-	927
NBZ Norway AS	-	790
Venere Scheepvaart B.V.	-	126
R. Star Management B.V.	-	65
Accountingcosts	108	110
VAT	-	13
Liabilities to related parties	1	1
Other	153	73
As of 31 December	262	2.105

On the current account debt with other group companies 1.66% interest is calculated. The interest relates to a basic rate of 1.5% plus the average three-month LIBOR rate.

22. Arrangements and commitments not shown in the balance sheet

The company heads a fiscal unity for Dutch corporate income tax and a value added tax and is therefore jointly and severally liable for the tax debt of the fiscal units as a whole.

Reference is made to the notes to the consolidated balance sheet for the arrangements and commitments not shown in the balance sheet.

23. Personnel

NBZ did not employ any staff in 2021 and 2020. The work was performed by the manager Annexum Beheer B.V.

24. Auditor fees

The fees charged to the results of NBZ and its subsidiaries in 2021 for audit costs of the external auditor Deloitte (2020: Deloitte), as defined in Article 1.1 of the1.1 van de 'Wet toezicht accountantsorganisaties' (Wta).

Deloitte

(x USD 1.000)	**2021**	**2020**
Annual report audit	79	89
Tax consultancy and other services	-	-
Total	79	89

25. Management Board and Supervisory Board Remuneration

Remuneration Management Board

The management of the company Annexum Beheer B.V. receives a management fee (see note "Management fee").

Remuneration Supervisory Board

x USD 1,-	**2021**	**2020**
Mr. B. de Vries	15,665.	18,089
Prof. dr. J. Koelewijn	-	7,611
R. Verburgt	10,205	6,468
M.F.M. van den Berg	10,366	-
		32,168
Travel expenses	-	51
Total	36,236	32,219

No loans, advances, guarantees or options have been granted to members of the Supervisory Board. Mr R. Verburgt is also a director and indirect shareholder of Perseverance Bulk Carriers B.V. owner of an interest in NBZ of 24% as at 31 December 2021. The members do not hold any shares or participations in NBZ.

Information on voting rights and conduct policies

The voting rights on the shares held by NBZ will be exercised, if necessary, in the interest of achieving the objective of NBZ, in accordance with its Articles of Association and the investment decision guidelines as stated in the Prospectus 2020, dated January 22, 2020.

Total Personal Interest Manager

During the financial year, NBZ was managed by Annexum Beheer B.V.

26. Profit appropriation

Proposal of profit apportion

x USD 1.000	
Result 2021	1,709
Off: Interim dividend paid in relation to financial year 2021	-275
Off: Dividend to be paid in relation to financial year 2021	-330
Added to the general reserve	1,104

27. Subsequent events

Reference is made to the note “Subsequent events” in the consolidated financial statements.

Amsterdam, 26 April 2022

Manager

Annexum Beheer B.V. - drs. H.W. Boissevain

Supervisory Board

mr. B. de Vries
R. Verburgt
M.F.M. van den Berg

OTHER INFORMATION

Profit appropriation

Statutory provisions on profit distribution

In accordance with article 29 of the articles of association, the management board determines, subject to the approval of the supervisory board, which part of the profit is reserved. The remaining profit is at the disposal of the general meeting of shareholders

Deloitte Accountants B.V.
Gustav Mahlerlaan 2970
1081 LA Amsterdam
P.O.Box 58110
1040 HC Amsterdam
Netherlands

Tel: +31 (0)88 288 2888
Fax: +31 (0)88 288 9737
www.deloitte.nl

INDEPENDENT AUDITOR'S REPORT

To the shareholders and the supervisory board of Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V.

Report on the audit of the financial statements 2021 included in THE ANNUAL ACCOUNTS

Our opinion

We have audited the financial statements 2021 of Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V., based in Rotterdam. The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. as at 31 December 2021, and of its result and its cash flows for 2021 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code. .

- The accompanying company financial statements give a true and fair view of the financial position of Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. as at 31 December 2021, and of its result for 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code. .

The consolidated financial statements comprise:

1. The consolidated statement of financial position as at 31 December 2021.

2. The following statements for 2021: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows.

3. The notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. The company balance sheet as at 31 December 2021.

2. The company profit and loss account for 2021.

3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at $ 132.000. The materiality is based on 1,5% of total assets. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of $ 6.600, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements of Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V..

Our group audit mainly focused on significant group entities NBZ N.V. and Venere Scheepvaart.

By performing the procedures mentioned above at group entities, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the consolidated financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Management override of controls

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or noncompliance.

We considered available information and made enquiries of relevant executives and the supervisory board.

We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We evaluated whether the selection and application of accounting policies by the group, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.

We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. Management insights, estimates and assumptions that might have a major impact on the financial statements are disclosed in note 2 of the financial statements. We performed a retrospective review of management judgments and assumptions related to significant accounting estimates reflected in prior year financial statements. Impairment testing of intangible and fixed assets is a significant area to our audit as the determination whether these assets are not carried at more than their recoverable amounts is subject to significant management judgment. Reference is made to the section 'Our key audit matters'.

For significant transactions such as disposals and investments in participations we evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the Company through discussion with management, reading minutesAs a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: adherence to (corporate) tax law and financial reporting regulations, the requirements under the International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the related financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, the Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Valuation of participations</u>

Key audit matter (note 2 in the consolidated financial statements):

The valuation of the participations and ships and the accompanying value mutation are the most important components of the financial statements. These participations are recorded at fair value, with fair value mutations being charged to the result of the year. There is no active market applicable. The fair value is determined based on significant estimates with subjective elements.

Management uses a 'discounted cashflow model', in which significant assumptions are key in determining the fair value valuation. The most important assumptions are the used discount rate and the appraisal value. Changes to these assumptions have a significant impact on the fair value. The Company uses external valuation reports issued by external independent professionally qualified valuers to determine the value of the ships.

How the key audit matter was addressed in the audit:

Our audit procedures included, among others, the following:

- We have used the services from internal valuation experts to challenge the used discount rate. Our procedures include evaluating if the used discount rate is reasonable within the branch in which Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. operates;

- We have used the services from internal valuation experts to challenge if the appraisal values in the discounted cashflow model are within the thresholds based on relevant market data (such as recent market transactions of similar ships);

- We have assessed and challenged the used data and assumptions (such as the used WACC) in determining the sensitivity analysis to gain insight in the impact of changes to the significant assumptions used in the discounted cashflow model.

- We have agreed the purchases and disposals of participations during the year with underlying supporting evidence.

- We have assessed if the presentation of the participations is in line with the applicable financial reporting standards;

- We have assessed the appropriateness of the disclosures relating to the assumptions used in the valuations and sensitivity analysis in the notes to the consolidated financial statements.

Conclusions

Based on above procedures we have concluded that the assumptions and estimates used by management to determine the valuation of the participations are within the acceptable thresholds. The presentation of the participations is in line with the applicable financial reporting standards.

Report on the other information included in the annual accounts

In addition to the financial statements and our auditor's report thereon, the annual accounts contain other information.

The other information consists of:

- Report of the Supervisory Board.
- Management Report.
- Corporate Governance report
- Remuneration report
- Mitigating risks

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Management Board's Report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the supervisory board as auditor of Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. on December 11, 2019, as of the audit for the year 2019 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic reporting Format (ESEF)

Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report, prepared in XHTML-formaat, including the partially marked-up consolidated financial statements, as included in the reporting package by Nederlandse Beleggingsmaatschappij voor Zeeschepen N.V. complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby management combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

Our procedures, taking into account Alert 43 of the NBA (Koninklijke Nederlandse Beroepsorganisatie van Accountants, the Dutch Institute of Chartered Accountants), included amongst others:

- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package.

- Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance and the XBRL extension taxonomy files has been prepared in accordance with the technical specifications as included in the RTS on ESEF.

- Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.

- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

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

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, April 26, 2022

Deloitte Accountants B.V.

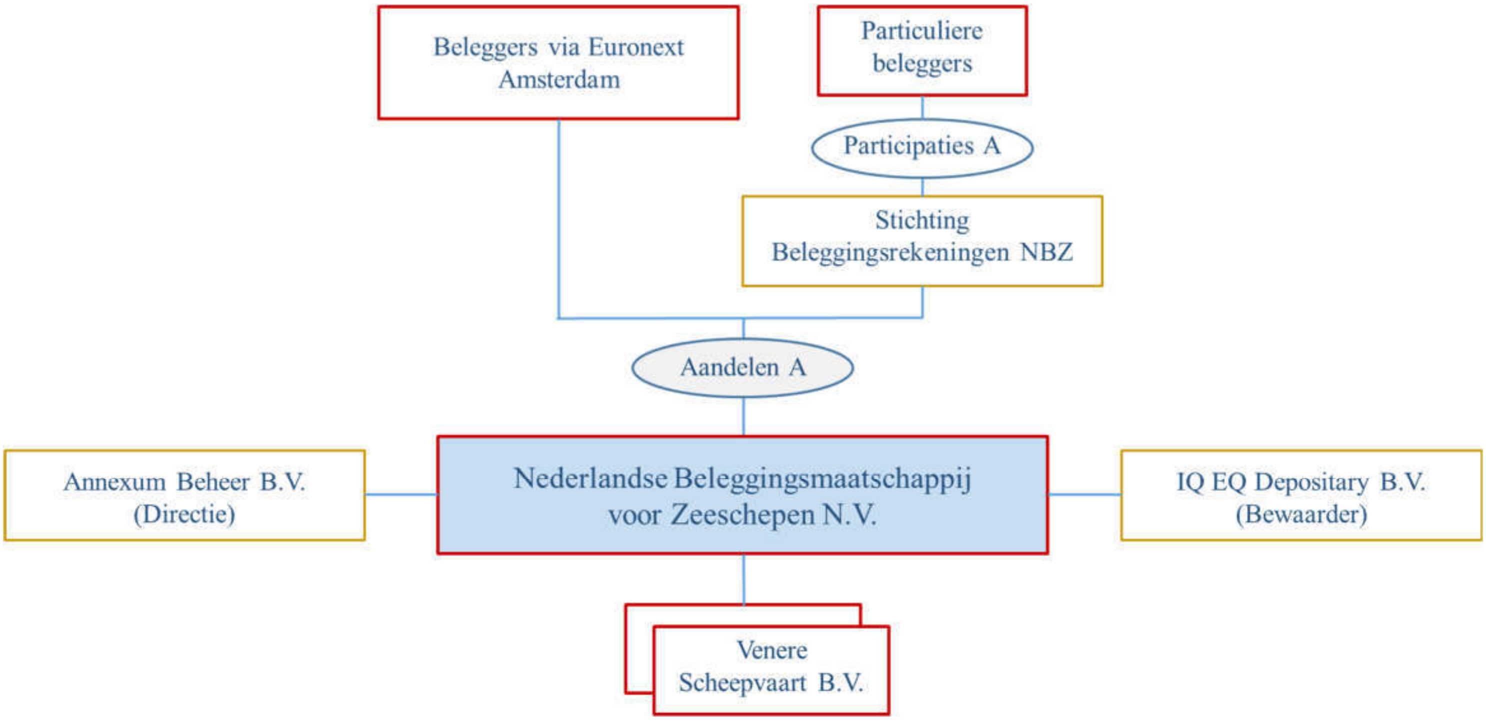
Initials for identification purposes:

Signed on the original: J. Holland

Annex 1: Results per ship

(x USD 1.000)	2021	2020
Income		
Michelle	-7	15
Svetlana	-	-
Henrietta	11	23
Lesley	-	15
North Sea Gas	-62	61
Nordic Handysize	302	-167
Eagle II	72	55
Parchem III	43	-9
Thor Dahl Container	631	104
RF Ocean	-52	165
Bras Gas	133	46
Super Greenship	228	85
Forest Wave	934	61
Partankers	41	-
Momentum	9	-
Other income	6	7
	2,289	461
Other results		
Transaction and investment costs	-84	-78
Exchange result	-8	14
Interest	-25	-
	-117	-64
Operating expenses and taxes		
Management fee	-254	-191
Overhead costs	-209	-245
Corporate income tax NBZ N.V.	-	-39
	-463	-475
Total consolidated result after tax	1,709	-78

Annex 2: Structure NBZ (2021)



Strawinskylaan 485
1077 XX Amsterdam

Phone: 020-5720101

E-Mail: office@nbzfonds.nl

Website: www.nbzfonds.nl