ANNUAL REPORT 2016

MALIK SUPPLY A/S

Skibbrogade 3, 2. Sal

9000 Aalborg

Central Business Registration No. 12 65 51 42

The Annual General Assembly adopted the annual report at 06.02.2017

Chairman of the General Meeting

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Name: Steen Møller

Contents

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and appoved the annual report of Malik Supply A/S for the financial year 01.01.2016 – 31.12.2016.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity´s financial position at 31.12.2016 and of the results of its operations and cash flows for the financial year 01.01.2016 – 31.12.2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 06.02.2017.

Executive Board

Steen Møller Jensen

Board of Directors

Eggert Thor Kristofersson

Gudjon Audunsson

Bent Jørgensen

Independent auditor´s reports

To the owners of Malik Supply A/S

Opinion
We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Malik Supply A/S for the financial year 01.01.2016 – 31.12.2016, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31.12.2016, and of the results of the Group and Parent Company operations as well as the consolidated cash flows for the financial year 01.01.2016 – 31.12.2016 in accordance with the Danish Financial Statements Act.

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

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements
Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements
Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of accounting information taken on the basis of these Consolidated Financial Statements and Parent Company Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent 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 Consolidated Financial Statements and the Parent Company Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Consolidated Financial Statements or the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Independent auditor´s reports

Based on the work we have performed, we conclude that Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Pandrup, 06.02.2017

HS Revision & Rådgivning
Godkendt Revisionspartnerselskab
CVR-nr. 36 92 02 89

Peter Wulff Andersen
State Authorised Public Accountant
FSR – danske revisorer

Entity details

Entity	Malik Supply A/S Skibbrogade 3, 2. sal 9000 Aalborg	
	Central Business Registration No: Registered in: Financial year::	12 65 51 42 Aalborg 01.01.2016 – 31.12.2016
Board of Directors	Eggert Thor Kristofersson Gudjon Audunsson Bent Jørgensen	
Executive Board	Steen Møller	
Entity auditors	HS Revision & Rådgivning Godkendt Revisionspartnerselskab Torvegade 7 9490 Pandrup	

Management commentary

	2016 DKK'000	2015 DKK'000	2014 DKK'000	2013 DKK'000	2012 DKK'000
Financial highlights					
Key figures					
Gross profit	37.189	36.918	29.251	5.630	7.917
Operating profit/loss	7.809	12.603	11.037	1.302	2.575
Net financials	-2.802	-5.387	-4.542	1.304	-109
Profit/loss for the year	3.697	5.572	4.851	2.368	1.970
Total assets	268.292	139.119	145.784	73.219	85.204
Investments in property, plant and equipment	18.215	3.959	21.595	318	845
Equity	37.631	33.934	28.362	23.511	21.142
Subordinate loan capital	12.750	12.750	12.750	14.450	10.700
Ratios					
Return on equity (%)	10,3	17,9	18,7	10,6	9,8
Equity ratio (%)	14,0	24,4	19,5	32,1	24,8
Equity + subordinate loan capital ratio (%)	18,8	33,6	28,2	51,8	37,4

The key figures and ratios for 2013 and 2012 exclusively represent Malik Supply A/S as there has not been prepared consolidated financial statements for these years.

Management commentary

Primary Activities
The Group´s primary activity consists of trade in oil for vessels etc.

Development in activities and finances
Profit for the year amounts to DKK 3.697k. Due to difficult market conditions the result is below the expected.

Equity amounts to DKK 37.631k at 31.12.2016, or DKK 50.381k when including subordinate loan capital equal to an equity ratio of 14% and 18,8%, respectively.

Outlook
In 2017 there are expected better market conditions and a better result for the group.

Particular risks
Particular risks relating to oil prices and exchange rates are hedged by financial contracts to a great extent. In addition the group has procedures for ongoing evaluation of credit risk of customers.

Environmental influence
The group meets the legislation concerning the environment.

Events after the balance sheet date
No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Consolidated income statement for 2016

	Notes	2016	2015
		DKK	DKK'000
Gross profit		**37.189.378**	**36.918**
Staff costs	2	-23.593.748	-19.924
Depreciation, amortization and impairment losses	3	-5.786.209	-4.390
Operating profit/loss		**7.809.421**	**12.603**
Income from investments in associates		305.162	-58
Other financial income	4	931.321	507
Other financial expenses	5	-4.038.340	-5.836
Profit/loss from ordinary activities		**5.007.564**	**7.217**
Tax on profit/loss from ordinary activities	6	-1.311.043	-1.793
Consolidated profit/loss		**3.696.521**	**5.423**
Minority interests' share of profit/loss		0	149
Profit/loss for the year	7	**3.696.521**	**5.572**

Consolidated balance sheet at 31.12.2016

	Notes	2016	2015
		DKK	DKK'000

Assets

	Notes	2016	2015
Fixed assets			
Intangible assets			
Goodwill		6.082.208	3.176
Intangible assets	8	**6.082.208**	**3.176**
Property, plant and equipment			
Land and buildings		12.411.906	787
Leasehold improvements		199.748	0
Ships		16.541.991	17.731
Other fixtures and fittings, tools and equipment		13.087.648	10.625
Property, plant and equipment	9	**42.241.293**	**29.145**
Fixed asset investments			
Investments in associates		0	2.762
Fixed asset investments	10	**0**	**2.762**
Fixed assets		**48.323.501**	**35.083**

Consolidated balance sheet at 31.12.2016

	Notes	2016	2015
		DKK	DKK'000
Current assets			
Inventories			
Manufactured goods and goods for resale		56.275.651	13.662
Inventories		**56.275.651**	**13.662**
Receivables			
Trade receivables		146.208.753	67.492
Receivables from group enterprises		12.523.736	12.959
Other short-term receivables	12	2.013.738	2.781
Prepayments	13	409.441	3.635
Receivables		**161.155.668**	**86.866**
Cash		**2.537.056**	**3.507**
Current assets		**219.968.375**	**104.035**
Assets		**268.291.876**	**139.119**

Consolidated balance sheet at 31.12.2016

Equity and liabilities

	Notes	2016 DKK	2015 DKK'000
Equity			
Contributed capital		1.140.000	1.140
Retained earnings		36.490.627	32.794
Equity		**37.630.627**	**33.934**
Minority interests	14	**0**	**660**
Provisions			
Provisions for deferred tax	15	1.963.150	1.067
Provisions		**1.963.150**	**1.067**
Liabilities other than provisions			
Non-current liabilties other than provisions			
Subordinate loan capital		3.750.000	12.750
Bank loans		11.051.048	5.566
Non-current liabilties other than provisions	16	**14.801.048**	**18.316**

Consolidated balance sheet at 31.12.2016

	Notes	2016	2015
		DKK	DKK'000
Current liabilties other than provisions			
Current portion of long-term liabilities other than provisions	16	13.578.307	3.767
Bank loans		75.903.295	43.084
Prepayments		852.468	0
Trade payables		116.984.259	29.963
Income tax payable		1.759.166	1.687
Other payables		4.819.556	6.640
Current liabilties other than provisions		**213.897.051**	**85.141**
Liabilities other than provisions		**228.698.099**	**103.457**
Equity and liabilities		**268.291.876**	**139.119**

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Consolidated statement of changes in equity for 2016

	Contributed Capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1.140.000	32.794.108	33.934.106
Profit/loss for the year	0	3.696.521	3.696.521
Equity end of year	**1.140.000**	**36.490.629**	**37.630.627**

Consolidated cash flow statement for 2016

	Notes	2016	2015
		DKK	DKK'000
Operating profit/loss		7.809.421	12.603
Amortisation, depreciation and impairment losses		5.786.209	4.383
Working capital changes	17	-30.848.880	62
Other adjustments		1.010.327	-152
Cash flow from ordinary operating activities		**-16.242.923**	**16.897**
Financial income received		931.321	507
Financial income paid		-4.038.340	-5.836
Income taxes refunded/(paid)		-1.687.154	-1.808
Cash flows from operating activities		**-4.794.173**	**9.760**
Acquisition goodwill		-3.817.122	
Acquisition etc. of property, plant and equipment		-15.452.848	-4.917
Sale of property, plant and equipment		222.000	243
Cash flows from investing activities		**-19.047.970**	**-4.675**
Loans raised, instalments on loans etc		6.296.355	-801
Cash flows from financing activities		**6.296.355**	**-801**
Increase/decrease in cash and cash equivalents		**-33.788.711**	**4.285**
Cash and cash equivalents beginning of year		-39.577.528	-43.862
Cash and cash equivalents end of year		**-73.366.239**	**-39.578**
Cash and cash equivalents at year-end are composed of:			
Cash		2.537.056	3.507
Short-term debt to banks		-75.903.295	-43.084
Cash and cash equivalents end of year		**-73.366.239**	**-39.578**

Notes to consolidated financial statements

1 Accounting policies for the group and parent company

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises.

The accounting policies applied for these consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement
Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates.

Basis of consolidation
The consolidated financial statements are prepared on the basis of the financial statements of Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognized in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been

settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses.

Derivative financial instruments

Derivative financial instruments are initially recognized in the balancesheet at cost and are subsequently remasured at their fair values. Positive and negative fair values of derivative financial instruments are recognized in "Other receivables" and "Other payables" respectively.

Changes of the fair value of derivative financial instruments related to commodities are recognised in the income statement presented as gross profit.

Income statement

Gross profit or loss

Gross profit or loss comprises of revenue, changes in inventories of finished goods, other operating income, and consumables and external expenses.

Revenue

Revenue from the sale of goods for resale is recognized in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognized net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognized in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortization, depreciation and impairment losses

Amortization, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortization, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises and associates

Income from investments in group enterprises and associates comprises the pro rata share of the individual associates' profit/loss after elimination of internal profits or losses.

Notes to consolidated financial statements

Other financial income
Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortization of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortization of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Goodwill
Goodwill is amortized straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortization period is seven to ten years since the goodwill relates to strategically acquired enterprises with a strong market position and a long-term earnings profile.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	20 years
Ships	10-15 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognized and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortized positive, or negative, goodwill and minus or plus unrealized intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognized under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired. Goodwill is amortized over its estimated useful life. The amortization period is ten years since the goodwill relates to strategically acquired enterprises with a strong market position and a long-term earnings profile.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Investments in associates
Investments in associates are recognized and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value plus or minus unamortized positive, or negative, goodwill and minus or plus unrealized pro rata internal profits and losses.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. The amortization period is ten years, since the goodwill represents for strategically acquired enterprises with a strong market position and a long-term earnings profile.

Investments in associates are written down to the lower of recoverable amount and carrying amount.

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realizable value.

Cost consists of purchase price plus delivery costs.

The net realizable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables
Receivables are measured at amortized cost, usually equaling nominal value less write-downs for bad and doubtful debts.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Minority interests
Minority interests consist of non-controlling interests share of equity in subsidiaries not 100% owned by the parent company.

Deferred tax
Deferred tax is recognized on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

Notes to consolidated financial statements

Deferred tax relating to re-taxation of previously deducted losses of foreign subsidiaries is recognized based on a specific assessment of the purpose of the individual subsidiary.

Other financial liabilities
Other financial liabilities are measured at amortized cost, which usually corresponds to nominal value.

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Income tax receivable or payable
Current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.

Financial highlights
Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2010" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Return on equity (%)	$\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Equity ratio (%)	$\frac{\text{Equity x 100}}{\text{Total assets}}$	The Financial strength of the Entity.
Equity + subordinate loan capital ratio (%)	$\frac{\text{(Equity + subordinate loan capital) x 100}}{\text{Total assets}}$	The Financial strength of the Entity.

Notes to consolidated financial statements

2	**Staff costs**	**2016** DKK	**2015** DKK'000
	Wages and salaries	20.826.662	17.323
	Pension costs	2.142.308	2.080
	Other social security costs	290.390	350
	Other staff costs	334.388	171
	Staff costs	**23.593.748**	**19.924**
	Average number of employees	52	35

In accordance with Section 98b(3) of the Danish Financial Statements Act, the company has omitted to specify remuneration to management.

3	**Depreciation, amortisation and impairment losses**	**2016** DKK	**2015** DKK'000
	Amortisation of intangible assets	969.235	684
	Depreciation of property, plant and equipment	4.816.974	3.668
	Impairment losses on property, plant and equipment	0	38
	Depreciation, amortisation and impairment losses	**5.786.209**	**4.390**

4	**Other financial income**	**2016** DKK	**2015** DKK'000
	Financial income arising from group enterprises	546.624	362
	Interest income	384.697	145
	Other financial income	**931.321**	**507**

5	**Other financial expenses**	**2016** DKK	**2015** DKK'000
	Interest expenses	4.038.340	5.148
	Other financial expenses	0	688
	Other financial expenses	**4.038.340**	**5.836**

6	**Tax on profit/loss from ordinary activities**	**2016** DKK	**2015** DKK'000
	Tax on current year taxable income	1.043.306	1.687
	Change in deferred tax for the year	267.737	106
	Tax on profit/loss from ordinary activities	**1.311.043**	**1.793**

7 Proposed distribution of profit/loss

	2016 DKK	2015 DKK'000
Proposed dividend	0	0
Retained earnings	3.696.521	5.572
Proposed distribution of profit/loss	**3.696.521**	**5.572**

8 Intangible assets

	Goodwill DKK
Cost beginning of year	5.168.487
Additions	3.817.122
Cost end of year	**8.985.609**
Amortisation and impairment losses beginning of year	-1.934.166
Amortisation for the year	-969.235
Amortisation and impairment losses end of year	**-2.903.401**
Carrying amount end of year	**6.082.208**

9 Property, plant and equipment

	Land and buildings DKK	Ships DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	947.290	21.713.847	16.891.992	0
Additions	12.147.430	498.614	5.782.934	227.963
Disposals	0	0	-222.000	0
Cost end of year	**13.094.720**	**22.212.460**	**24.503.713**	**227.963**
Depreciation and impairment losses beginning of the year	-159.726	-3.982.100	-8.759.334	0
Impairment losses for the year	0	0	0	0
Depreciation for the year	-523.088	-1.688.368	-2.752.888	-28.215
Reversal regarding disposals	0	0	96.157	0
Depreciation and impairment losses end of the year	**-682.814**	**-5.670.469**	**-11.416.065**	**-28.215**
Carrying amount end of year	**12.411.906**	**16.541.991**	**13.087.648**	**199.748**

10 Fixed asset investments

During 2016 Malik Supply A/S has acquired the rest of the shares in an associated company and the shares are transferred to subsidiaries and full consolidated in the consolidated financial statements.

11 Subsidiaries

	Registered in	Corporate form	Equity interest %
Nordic Marine Oil A/S	Aalborg	A/S	100
Malik Supply Greenland ApS	Nuuk	ApS	100
G.O. af 01.10.2006 ApS	Nuuk	ApS	100
Orsiivik ApS	Nuuk	ApS	100

12 Other short-term receivables

Other receivables recognised under current assets consist of credit notes issued from suppliers and contracts concluded with counterparties as well as other other receivables.

13 Prepayments

The item consists of prepaid expenses.

14 Minority interests

From 2016 there are no minority interests.

15 Deferred tax

	2016 DKK	2015 DKK'000
Intangible assets	-84.328	-157
Property, plant and equipment	2.465.026	1.448
Liabilities other than provision	-417.548	-224
Deferred tax	**1.963.150**	**1.067**

16 Long-term liabilities other than provision

	Instalments within 12 months 2016 DKK	Instalments within 12 months 2015 DKK'000	Instalments beyond 12 months 2016 DKK
Subordinate loan capital	9.000.000	0	3.750.000
Bank loans	4.578.307	3.767	11.051.048
Long-term liabilities other than provision	**13.578.307**	**3.767**	**14.801.048**

17 Change in working capital

	2016 DKK	2015 DKK'000
Increase/decrease in inventories	-42.613.246	16.057
Increase/decrease in receivables	-74.289.272	-6.748
Increase/decrease in trade payables etc.	86.053.638	-9.246
Change in working capital	**-30.848.880**	**62**

18 Derivative financial instruments

Derivative financial instruments are used to secure the risk of oil inventories and are recognised in the income statement.

The group has sold oil futures, which as per. 31.12.2016 has a net marketvalue of USD -253k.

19 Unrecognised rental and lease commitments

	2016 DKK	2015 DKK'000
Commitments and rental agreements or leases until expiry	63.000	63

20 Contingent liabilities

In relation to the rental contracts with Danish harbours, there is a potential obligation for cleaning-up.

The group has a restobligation on leasing buildings of DKK 8.172k.

The Group's bank has provided security towards cooperative partners amounting to DKK 856k.

The group has sold oil to a counterparty with an obligation to buy the oil back to the market price. 31.12.2016, the obligation are DKK 7,387k.

The Company participates in a Danish joint taxation arrangement with Abaris Holding ApS serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities.

21 Mortgages and securities

Bank debt of DKK 69.863k is secured on a floating charge of DKK 49,500k on the Company's fixed assets, inventories and unsecured claims. Moreover, there is a floating charge of DKK 40,500k secured on the companies' unsecured claims, inventories, intellectual property rights and fixed assets. The carrying amount of the assets charged is DKK 196,252k at 31.12.2016.

Bank debt of DKK 69.863k has been secured by a deposited all-monies mortgage of DKK 12,000k on one of the Company's vessels. The carrying amount of the asset charged is DKK 13,280k at 31.12.2016. Moreover, the bank has a mortgage registered to the owner on real property of DKK 3,500k in land and buildings with a carrying amount of DKK 780k at 31.12.2016.

Bank debt of DKK 19.967 has been secured by an all-money mortgage of DKK 11.000k on land and buildings with a carrying amount of DKK 11.631k at 31.12.2016.

22 Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Abaris Holding ApS, Aalborg

Parent income statement for 2016

	Notes	2016	2015
		DKK	DKK'000
Gross profit		**12.326.726**	**11.642**
Staff costs	23	-7.224.335	-6.991
Depreciation, amortization and impairment losses	24	-620.101	-517
Operating profit/loss		**4.482.290**	**4.133**
Income from investments in group enterprises		39.854	3.376
Income from investments in associates		305.162	-58
Other financial income	25	1.634.989	1.825
Other financial expenses	26	-1.760.463	-2.925
Profit/loss from ordinary activities before tax		**4.701.832**	**6.351**
Tax on profit/loss from ordinary activities	27	-1.005.311	-779
Profit/loss for the year	**28**	**3.696.521**	**5.572**

Proposed distribution of profit

		2016	2015
Retained earnings previous years		24.743.543	19.171
Profit/loss for the year		3.696.521	5.572
Available		**28.440.064**	**24.744**
Reserve for net revaluation according to the equity method		345.015	0
Retained earnings		28.095.049	24.744
Disposed in total		**28.440.064**	**24.744**

Parent balance sheet at 31.12.2016

	Notes	2016	2015
		DKK	DKK'000

Assets

	Notes	2016	2015
Fixed assets			
Property, plant and equipment			
Leasehold improvements		199.748	0
Other fixtures and fittings, tools and equipment		2.338.999	1.404
Property, plant and equipment	29	**2.538.747**	**1.404**
Fixed asset investments			
Investments in group enterprises		20.620.578	9.513
Investments in associates		0	2.762
Fixed asset investments	30	**20.620.578**	**12.276**
Fixed assets		**23.159.325**	**13.679**
Current assets			
Receivables			
Trade receivables		47.514.375	37.611
Receivables from group enterprises		36.464.498	32.632
Deferred tax assets	31	58.128	110
Other short-term receivables		0	637
Prepayments	32	198.180	414
Receivables		**84.235.181**	**71.404**
Cash		**2.266.122**	**3.497**
Current assets		**86.501.303**	**74.901**
Assets		**109.660.628**	**88.581**

Parent balance sheet at 31.12.2016

Equity and liabilities

	Notes	2016 DKK	2015 DKK'000
Equity			
Contributed capital	33	1.140.000	1.140
Reserve for net revaluation according to the equity method		8.395.578	8.051
Retained earnings		28.095.049	24.744
Equity		**37.630.627**	**33.934**
Liabilities other than provisions			
Non-current liabilties other than provisions			
Subordinate loan capital	34	3.750.000	12.750
Non-current liabilties other than provisions		**3.750.000**	**12.750**
Current liabilties other than provisions			
Current portion of long-term liabilities other than provisions	34	9.000.000	0
Bank loans		20.543.335	12.883
Trade payables		36.253.556	26.867
Payables to group enterprises		247.287	251
Income tax payable		952.974	937
Other payables		1.282.849	958
Current liabilties other than provisions		**68.280.001**	**41.897**
Liabilities other than provisions		**72.030.001**	**54.647**
Equity and liabilities		**109.660.628**	**88.581**

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Parent statement of change in equity for 2016

	Contributed Capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1.140.000	8.050.563	24.743.544	33.934.107
Profit/loss for the year	0	345.015	3.351.506	3.696.521
Equity end of year	**1.140.000**	**8.395.578**	**28.095.049**	**37.630.627**

Notes to parent financial statements

23 Staff costs

	2016 DKK	2015 DKK'000
Wages and salaries	6.293.497	6.011
Pension costs	845.616	900
Other social security costs	85.221	80
Staff costs	**7.224.335**	**6.991**

Average number of employees	11	11

In accordance with Section 98b(3) of the Danish Financial Statements Act, the company has omitted to specify remuneration to management.

24 Depreciation, amortisation and impairment losses

	2016 DKK	2015 DKK'000
Depreciation of property, plant and equipment	620.101	480
Impairment losses on property, plant and equipment	0	38
Depreciation, amortisation and impairment losses	**620.101**	**517**

25 Other financial income

	2016 DKK	2015 DKK'000
Financial income arising from group enterprises	1.405.807	1.778
Interest income	229.182	47
Other financial income	**1.634.989**	**1.825**

26 Other financial expenses

	2016 DKK	2015 DKK'000
Interest expenses	1.760.463	2.313
Other financial expenses	0	612
Other financial expenses	**1.760.463**	**2.925**

27 Tax on profit/loss from ordinary activities

	2016 DKK	2015 DKK'000
Tax on current year taxable income	952.974	937
Change in deferred tax for the year	52.337	-158
Tax on profit/loss from ordinary activities	**1.005.311**	**779**

28 Proposed distribution of profit/loss

	2016 DKK	2015 DKK'000
Proposed dividend	0	0
Reserve for net revaluation according to the equity method	345.015	1.318
Retained earnings	3.351.506	4.254
Proposed distribution of profit/loss	**3.696.521**	**5.572**

29 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	2.851.914	0
Additions	1.643.532	227.963
Disposals	210.000	0
Cost end of year	**4.285.444**	**227.963**
Depreciation and impairment losses beginning of the year	1.448.117	0
Impairment losses for the year	0	0
Depreciation for the year	591.883	28.215
Reversal regarding disposals	-93.556	0
Depreciation and impairment losses end of the year	**1.946.445**	**28.215**
Carrying amount end of year	**2.338.999**	**199.748**

30 Fixed asset investments

	Investment in group enterprises DKK	Investments in associates DKK
Cost beginning of year	2.725.000	1.500.000
Additions	9.500.000	0
Disposals	0	-1.500.000
Cost end of year	**12.225.000**	**0**
Revaluations beginning of year	8.050.562	1.262.318
Amortisation of goodwill	-523.515	0
Share of profit/loss for the year	868.531	0
Disposals	0	-1.262.318
Revaluations end of year	**8.395.578**	**0**
Carrying amount end of year	**20.620.578**	**0**

31 Deferred tax assets

	2016 DKK	2015 DKK'000
Property, plant and equipment	76.618	33
Liabilities other than provision	-134.746	-144
Deferred tax	**58.128**	**110**

32 Prepayments

The item consists of prepaid expenses.

33 Contributed capital

	Number	Par value DKK	Nominel value DKK
Ordinary shares	1.140	1.000	1.140.000
	1.140		**1.140.000**

34 Long-term liabilities other than provision

	Instalments within 12 months 2016 DKK	Instalments within 12 months 2015 DKK'000	Instalments beyond 12 months 2016 DKK
Subordinate loan capital	9.000.000	0	3.750.000
Long-term liabilities other than provision	**9.000.000**	**0**	**3.750.000**

35 Derivative financial instruments

Derivative financial instruments are used to secure the risk of oil inventories and are recognised in the income statement.

The group has sold oil futures on behalf of Nordic Marine Oil A/S, which as per. 31.12.2016 has a net marketvalue of USD -253k.

36 Contingent liabilities

The company has a restobligation on leasing buildings of DKK 3.367k.

The Company's bank has provided a guarantee for the rent deposit of DKK 318k.

The Company has guaranteed a share of the bank debt of the group enterprise G.O. af 01.10.2006 ApS. The Company's share of the guarantee amounts to DKK 600k at 31.12.2016.

The Company participates in a Danish joint taxation arrangement with Abaris Holding ApS serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed entities and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities.

37 Mortgages and securities

Short-term bank debt is secured on a floating charge of DKK 24,000k on the Company's inventories and unsecured claims. Moreover, there is a total floating charge of DKK 40,500k relating to Malik Supply A/S and Nordic Marine Oil A/S secured on the companies' unsecured claims, inventories, intellectual property rights and fixed assets. The carrying amount of the assets charged is DKK 70,673k.

The floating charge is also provided as security for bank debt in subsidiary. The debt amounts to DKK 20,542k at 31.12.2016.

The Company has guaranteed the bank debt of the group enterprise Nordic Marine Oil A/S. The debt in the group enterprise amounts to DKK 20,542k at 31.12.2016.

38 Related parties

Related parties comprice the Board of Directors, the Executive Board as well as companies in which these persons have significant interest and subsidiaries of Malik Supply A/S. The company is included in the consolidated financial statements of Abaris Holding ApS, in which Steen Møller exercises control.

Transactions:
The companies in the group have had intercompany trade with oil etc., administration fees and interests on intercompany receivables and debt. All transactions are made at market prices and therefor there are no further information on transaction amounts according to the Danish financial statements Acts § 98c, 7.