ANNUAL REPORT 2018

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 01.03.2019
Chairman of the General Meeting

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Steen Møller

Content

Entity details

Entity

Malik Supply A/S
Skibbrogade 3, 2. sal
9000 Aalborg

Central Business Registration No:	12 65 51 42
Registered in:	Aalborg
Financial year:	1. januar 2018 - 31. december 2018

Board of Directors

Eggert Thor Kristofersson

Bent Jørgensen

Gudjon Audunsson

Executive Board

Steen Møller Jensen

Entity auditors

HS Revision & Rådgivning

Godkendt revisionspartnerselskab

Torvegade 7

9490 Pandrup

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Malik Supply A/S for the financial year 01.01.2018 – 31.12.2018.

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 31.12.2018 and of the results of its operations and cash flows for the financial year 01.01.2018 – 31.12.2018.

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, 01.03.2019

Executive Board

Steen Møller Jensen

Board of Directors

Eggert Thor Kristofersson

Gudjon Audunsson

Bent Jørgensen

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 01.01.2018 – 31.12.2018, 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 31.12.2018, and of the results of the Group and Parent Company operations as well as the consolidated cash flows for the financial year 01.01.2018 – 31.12.2018 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.

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.

Aalborg, 01.03.2019

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

Peter Wulff Andersen
State Authorised Public Accountant
mne29391

Main Activity
The main activity for the Group consists of sale and purchase of oil products to the maritime industry.

Development in 2018
Group operation (EBIT) was tDKK 11.585 in 2018 compared with tDKK 12.877 in 2017, which development is to the unsatisfaction of the management.

The profit after tax for 2018 reached tDKK 3.652 and end of the year the equity including subordinated loans was tDKK 73.976.

Management considers the net result achieved to be unsatisfactory.

Return on equity of 8 % is well below the goal set by the Management.

THE MALIK SUPPLY GROUP
The Malik Supply Group consists of trading activities world wide with a special focus on the North Atlantic area, physical supply of marine fuels in various Danish ports and waters, and local distribution and supply of fuels in Greenland.
The Malik Supply Group has an independent Board of Directors, who conduct the development of the Group through the long-term strategy.
The trading activities were boost in 2015 through an increase in numbers of traders, and the development through 2017 and 2018 has been performed accordingly on a high level.
The physical supply in Danish ports and waters is carried out through its 7 storages in Denmark and undertaken by 10 barges, where 8 barges are owned by the Group.
During 2015-18 all storages and barges have undergone a significant maintenance program to ensure highest level of HSEQ, which has highest priority within the Group.
The business in Greenland is developing on a steady level in accordance with expectations.

EXPECTATIONS FOR 2019
The Group expect to continue the business growth development through the coming years, where both the world-wide trading as well as the supplies in Danish ports and waters will receive further resources in terms of more skilled personnel and increased storage- and barge capacity. The resources added will be done according the Groups strategy, which will place the Group in a strong position towards 2020, when the industry will face a significant change in the pattern with the world-wide Sulphur cap of 0,5%.
The Group is preparing to offer new products to its customers, where LNG probably will play an important role in the next decade, and the Group intend to be one of the first players to offer this service in cooperation with its strategic partners.

CORPORATE SOCIAL RESPONSIBILITY
This section constitutes the compliance with the Danish Financial Statements Act, section 99(a)
The Malik Supply Group is through its values and corporate governance playing an important role for its responsibility around the social environment both internally as well as externally.

HEALTH, SAFETY, ENVIRONMENT AND QUALITY
The Group prioritizes all issues within the Safety, Health and Environmental matters to be equal importance as operational matters.
We strive on preventing all kind of working-related accidents on any personnel and avoiding any kind of incident on the equipment and the environment.
We keep focus on our employees understanding and consciousness of the environment, and continuously evaluate the risks, analyses the results, and incorporate possible improvements.

TRANSPARENCY AND ETHICS

The Malik Supply Group is aware of and strictly obeys the laws and regulations that govern the management of our business. We are responsible for understanding these laws and regulations as they apply to our jobs and for preventing, detecting and reporting instances of non-compliance.
It is our policy to conduct all our business with integrity. We do not tolerate bribery and corruption and are committed to acting professionally, fairly and in an honest and ethical manner in all our business dealings and relationships wherever we operate.

CAPITAL STRUCTURE

The capital structure of the Group is being prioritized by the management to secure highest level of creditworthiness among its suppliers and to maintain a suitable level of solvency. To ensure the future development of the Group, it has been decided to obtain subordinated loans to complement the level of equity.

RISK MANAGEMENT

Risk management is carried out with the purpose of minimize all kind of risks towards the Group. The Group has identified number of risks, which is discussed continuously within the Management. In case these risks can be removed or reduced, the management will evaluate carefully how to deal with such a risk.

Market risks

The oil price development is the main risk towards the Group, and it is a management decision to cover all the storage of oil, so any kind of fluctuation in the oil price will have no effect on the value of the storage. The coverage of the storage is mainly done by use of derivates.

Currency risks

The purchase of oil is mainly denominated in USD, while the sales is mainly denominated in USD, EUR and DKK. The difference in USD between the purchase and the sales is covered by the using of forward currency exchange agreements.

Credit risks

All customers of the Group are being evaluated in terms of their creditworthiness before sales are carried through. The Group does not use insurance of the trade receivables, as the management find the pricing from the insurer too high compared with the customer creditworthiness. The Group has a rather conservative viewpoint in the evaluation of the customers, and as the Group prioritise a long-term relationship with its customers, the confidence between the Group and the customers are being built on a sound basis over time.

Other risks

The management has identified other less important risks as i.e. the development in the interest rate and the refinancing of credit facilities. The management has in each case discussed to what extend such risk can be removed or reduced, and the costs involved relative to the outcome, and decided whether any action shall be initiated relative to the specific risk. All risks are discussed within the Management on a frequently basis.

GENDER DISTRIBUTION

This section constitutes the compliance with the Danish Financial Statements Act, section 99(b)

We aim on an increase in the number of under-represented gender within the Management of the Group but will at any time choose the most competent and suitable candidate, irrespective of gender.
To act according to the Danish Financial Statements Act, the Malik Supply Group has a goal to include minimum one female member in the Group's Board of Directors latest in 2020, which will correspond to an equal gender distribution.
The Group's Board of Directors consists of three people, whom are all men.
In view of the above objective, which is to choose the most competent and suitable candidate, irrespective of gender, in some years, there may be a significant overweight of one gender in Company Management. This is also the reason why the objective has not been met in 2018.

	2018 TDKK	2017 TDKK	2016 TDKK	2015 TDKK	2014 TDKK
Income statement					
Revenue	2.878.986	2.071.102	1.386.586	x	x
Gross profit	47.689	47.471	37.189	36.918	29.251
Operating profit/loss	11.585	12.877	7.809	12.603	11.037
Net financials	-6.282	-4.494	-2.802	-5.387	-4.542
Profit/loss for the year	3.652	6.193	3.697	5.572	4.851
Balance sheet					
Fixed assets	46.165	44.316	48.324	35.083	33.683
Total assets	252.555	303.944	268.292	139.119	145.784
Equity	47.476	43.824	37.631	33.934	28.362
Investments in property, plant and equipment	7.521	2.921	18.215	3.959	21.595
Subordinate loan capital	26.500	15.500	12.750	12.750	12.750
Ratios					
Return on equity	8,0%	15,2%	10,3%	17,9%	18,7%
Equity ratio (%)	18,8%	14,4%	14,0%	24,4%	19,5%
Equity + subordinate loan capital ratio (%)	29,3%	19,5%	18,8%	33,6%	28,2%

The Group was not obliged to state the revenue for 2014 and 2015.

Income statement

Notes		Group 2018 DKK	Group 2017 1.000 DKK	Parent 2018 DKK	Parent 2017 1.000 DKK
1	Revenue	2.878.986.268	2.071.102	1.055.859.930	692.291
	Cost of sales	-2.820.197.132	-2.012.024	-1.034.767.342	-675.495
	Other operating income	681.807	674	84.267	0
2	Other external expenses	-11.781.846	-12.282	-1.879.925	-3.743
	Gross profit	**47.689.097**	**47.471**	**19.296.930**	**13.053**
3	Staff costs	-28.928.945	-27.900	-9.043.113	-7.584
4	Depreciation, amortization and impairment losses	-7.124.351	-6.690	-601.880	-644
	Other operating expenses	-51.023	-4	0	-4
	Operating profit/loss	**11.584.778**	**12.877**	**9.651.937**	**4.822**
	Income from investments in group enterprises	0	0	-3.277.203	3.016
5	Other financial income	532.189	972	1.987.256	1.549
6	Other financial expenses	-6.814.046	-5.466	-2.681.194	-2.276
	Profit/loss from ordinary activities	**5.302.921**	**8.383**	**5.680.796**	**7.110**
7	Tax on profit/loss from ordinary activities	-1.650.720	-2.189	-2.028.595	-917
8	**Profit/loss for the year**	**3.652.201**	**6.193**	**3.652.201**	**6.193**

Balance sheet

Notes	Assets	Group 2018 DKK	Group 2017 1.000 DKK	Parent 2018 DKK	Parent 2017 1.000 DKK
	Goodwill	5.956.291	5.114	0	0
9	**Intangible assets**	**5.956.291**	**5.114**	**0**	**0**
	Land and buildings	11.479.905	11.544	0	0
	Ships	15.503.677	15.760	0	0
	Other fixtures and fittings, tools and equipment	13.062.854	11.743	1.580.788	1.699
	Leasehold improvements	162.756	154	162.756	154
10	**Property, plant and equipments**	**40.209.192**	**39.202**	**1.743.544**	**1.853**
11	Investments in group enterprises	0	0	20.359.441	23.637
	Fixed assets investments	**0**	**0**	**20.359.441**	**23.637**
	Fixed assets	**46.165.483**	**44.316**	**22.102.985**	**25.490**
	Manufactured goods and goods for resale	49.203.701	68.876	0	0
	Inventories	**49.203.701**	**68.876**	**0**	**0**
	Trade receivables	137.962.078	163.817	76.477.448	54.681
	Receivables from group enterprises	12.691.058	12.072	58.312.120	34.019
12	Other short-term receivables	3.148.102	1.967	94	261
13	Deferred tax assets	0	0	82.936	82
14	Prepayments	543.978	642	268.331	171
	Receivables	**154.345.216**	**178.498**	**135.140.929**	**89.214**
	Cash	**2.840.290**	**12.254**	**2.597.588**	**2.359**
	Current assets	**206.389.207**	**259.628**	**137.738.517**	**91.573**
	Assets	**252.554.690**	**303.944**	**159.841.502**	**117.063**

Balance sheet

Note	Equity and liabilities	Group 2018 DKK	Group 2017 1.000 DKK	Parent 2018 DKK	Parent 2017 1.000 DKK
15	Contributed capital	1.140.000	1.140	1.140.000	1.140
	Reserve for net revaluation according to the equity method	0	0	8.149.411	11.412
	Retained earnings	46.336.262	42.684	38.186.852	31.272
	Equity	**47.476.262**	**43.824**	**47.476.263**	**43.824**
16	Provisions for deferred tax	1.695.991	1.746	0	0
	Provisions	**1.695.991**	**1.746**	**0**	**0**
	Subordinate loan capital	17.000.000	15.500	17.000.000	15.500
	Bank loans	7.901.037	8.683	0	0
17	**Non-current liabilities other than provisions**	**24.901.037**	**24.183**	**17.000.000**	**15.500**
17	Current portion of long-term liabilities other than provision	10.407.053	2.273	9.500.000	0
	Bank Loans	77.102.704	119.345	8.617.457	8.460
	Prepayments	1.834.780	1.012	0	0
	Trade payables	83.850.629	105.870	75.760.287	47.784
	Payables to group enterprises	0	0	318.887	262
	Income tax payable	874.871	1.008	0	0
	Other payables	4.411.363	4.683	1.168.608	1.233
	Current liabilities other than provisions	**178.481.400**	**234.191**	**95.365.239**	**57.739**
	Liabilities	**203.382.437**	**260.120**	**112.365.239**	**73.239**
	Equity and liabilities	**252.554.690**	**303.944**	**159.841.502**	**117.063**

18 Derivative financial instruments
19 Unrecognized rental and lease commitments
20 Contingent liabilities
21 Mortgages and securities
22 Consolidation
23 Related parties

Statement of changes in equity

	Group		Parent	
	2018	2017	2018	2017
	DKK	1.000 DKK	DKK	1.000 DKK
Equity beginning of year	1.140.000	1.140	1.140.000	1.140
Contributed Capital	**1.140.000**	**1.140**	**1.140.000**	**1.140**
Equity beginning of year	0	0	11.411.644	8.396
Profit/loss for the year	0	0	-3.262.233	3.016
Reserve for net revaluation according to the equity method	**0**	**0**	**8.149.411**	**11.412**
Equity beginning of year	42.684.061	36.491	31.272.418	28.095
Profit/loss for the year	3.652.201	6.193	6.914.434	3.177
Retained earnings	**46.336.262**	**42.684**	**38.186.852**	**31.272**
Equity end of year	**47.476.262**	**43.824**	**47.476.263**	**43.824**

Consolidated cash flow statement

	Group	
	2018	2017
	1.000 DKK	1.000 DKK
Profit/loss for the year	**3.652**	**6.193**
Amortisation, depreciation and impairment losses	7.091	6.690
Financial income	-532	-972
Financial costs	6.814	5.466
Tax on profit/loss from ordinary activities	1.651	2.189
Other adjustments	-1.047	-156
Adjustments in total	**13.977**	**13.217**
Increase/decrease in inventories	19.672	-12.600
Increase/decrease in receivables	24.375	-18.947
Increase/decrease in trade payables etc.	-21.469	-11.091
Change in working capital	**22.578**	**-42.638**
Financial income received	532	972
Financial income paid	-6.814	-5.466
Interest payments total	**-6.282**	**-4.494**
Income taxes refunded (paid)	**-1.008**	**-1.759**
Cash flow from operating activities	**32.917**	**-29.481**
Acquisition goodwill	-2.000	0
Acquisition etc. Of property, plant and equipment	-7.521	-2.921
Sale of property, plant and equipment	580	601
Cash flow from investing activities	**-8.941**	**-2.320**
Loans raised, installments on loans etc.	9.453	-1.924
Cash flow from financing activities	**9.453**	**-1.924**
Increase/decrease in cash and cash equivalents	**33.429**	**-33.725**
Cash and cash equivalents beginning of year	-107.091	-73.366
Cash and cash equivalents end of year	**-73.662**	**-107.091**

Note **Consolidated cash flow statement**

	Group 2018 1.000 DKK	Group 2017 1.000 DKK
Cash	2.840	12.254
Bank loans short term	-76.502	-119.345
Cash and cash equivalents end of year	**-73.662**	**-107.091**

		Group		Parent	
		2018	2017	2018	2017
		DKK	1.000 DKK	DKK	1.000 DKK
1	**Revenue**				

The group´s actvities are percieved as one segment – trade in oil for vessels etc.

2 Fee to auditors appointed at the general meeting

In accordance with section 96 (3) of the Danish Financial Statements Act the group refer to the Annual report for the parent company concerning fee to auditors appointed at the general meeting.

3 Staff costs

	Group 2018 DKK	Group 2017 1.000 DKK	Parent 2018 DKK	Parent 2017 1.000 DKK
Wages and salaries	25.106.191	24.636	7.584.489	6.639
Pension costs	2.690.336	2.503	946.872	868
Other social security	331.159	277	93.970	76
Other staff costs	801.259	484	417.782	0
	28.928.945	**27.900**	**9.043.113**	**7.584**
Average number of employees	65	61	13	11

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

4 Depreciation, amortisation and impairment losses

	Group 2018 DKK	Group 2017 1.000 DKK	Parent 2018 DKK	Parent 2017 1.000 DKK
Amortisation of intangible assets	1.157.635	968	0	0
Depreciation of property, plant and equipment	5.966.716	5.722	601.880	644
	7.124.351	**6.690**	**601.880**	**644**

5 Other financial income

	Group 2018 DKK	Group 2017 1.000 DKK	Parent 2018 DKK	Parent 2017 1.000 DKK
Financial income arising from group enterprises	483.716	511	1.849.388	1.387
Interest income	48.473	461	137.868	162
	532.189	**972**	**1.987.256**	**1.549**

6 Other financial expenses

	Group 2018 DKK	Group 2017 1.000 DKK	Parent 2018 DKK	Parent 2017 1.000 DKK
Interest expenses	6.814.046	5.466	2.681.194	2.276
	6.814.046	**5.466**	**2.681.194**	**2.276**

7 Tax on profit/loss from ordinary activities

	Group 2018 DKK	Group 2017 1.000 DKK	Parent 2018 DKK	Parent 2017 1.000 DKK
Tax on current year taxable income	1.700.671	2.406	2.029.378	941
Change in deferred tax for the year	-49.951	-217	-783	-24
	1.650.720	**2.189**	**2.028.595**	**917**

Notes

		Group 2018 DKK	2017 1.000 DKK	Parent 2018 DKK	2017 1.000 DKK
8	**Proposed distribution of profit/loss:**				
	Proposed dividend	0	0	0	0
	Reserve for net revaluation according to the equity method	0	0	-3.262.233	3.016
	Retained earnings	3.652.201	6.193	6.914.434	3.177
		3.652.201	**6.193**	**3.652.201**	**6.193**

		Goodwill
9	**Intangible assets**	
	Group	DKK
	Cost beginning of year	8.825.609
	Additions	2.000.000
	Cost end of year	10.825.609
	Amortisation and impairment losses beginning of year	3.711.683
	Amortisation for the year	1.157.635
	Amortisation and impairment losses end of year	4.869.318
	Carrying amount end of year	**5.956.291**

		Land and buildings	Ships	Other fixtures and fittings, tools and equipment	Leasehold improvements
10	**Property, plant and equipment**				
	Group	DKK	DKK	DKK	DKK
	Cost beginning of year	13.094.720	23.230.296	25.584.477	227.963
	Additions	809.180	1.918.088	4.734.605	59.122
	Disposals	0	0	-1.543.174	0
	Cost end of year	13.903.900	25.148.384	28.775.908	287.085
	Amortisation and impairment losses beginning of year	1.550.394	7.469.904	13.841.687	73.808
	Impairment losses for the year	873.601	2.174.803	2.867.791	50.521
	Reversal regarding disposals	0	0	-996.424	0
	Amortisation and impairment losses end of year	2.423.995	9.644.707	15.713.054	124.329
	Carrying amount end of year	**11.479.905**	**15.503.677**	**13.062.854**	**162.756**

	Group 2018 DKK	2017 1.000 DKK	Parent 2018 DKK	2017 1.000 DKK

Property, plant and equipment Parent	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	3.844.215	227.963
Additions	638.672	59.122
Disposals	-846.500	0
Cost end of year	3.636.387	287.085
Amortisation and impairment losses beginning of year	2.145.007	73.808
Impairment losses for the year	551.359	50.521
Reversal regarding disposals	-640.767	0
Amortisation and impairment losses end of year	2.055.599	124.329
Carrying amount end of year	**1.580.788**	**162.756**

11 Fixed asset investments

	Parent 2018 DKK	Parent 2017 1.000 DKK
Cost beginning of year	12.225.000	12.225
Cost end of year	12.225.000	12.225
Revaluation beginning of year	11.411.644	8.396
Amortisation of goodwill	-649.693	-683
Share of profit/loss for the year	-2.627.510	3.699
Revaluation end of year	8.134.441	11.412
Carrying amount end of year	**20.359.441**	**23.637**

Subsidaries:

Name	Registered in	Equity interest (%)	Corporate form
Nordic Marine Oil A/S	Aalborg	100,00%	A/S
Malik Supply Greenland ApS	Nuuk	100,00%	ApS
G.O. af 01.10.2006 ApS	Nuuk	100,00%	ApS
Orsiivik ApS	Nuuk	100,00%	ApS

12 Other short-term receivables

Other receivables recognised under current assets consists of contracts concluded with counterparties as well as other receivables.

		Consolidated		Parent company	
		2018	2017	2018	2017
		DKK	1.000 DKK	DKK	1.000 DKK
13	**Deferred tax assets**				
	Property, plant and equipment	0	0	51.809	53
	Liabilities other than provision	0	0	-134.746	-135
		0	**0**	**-82.936**	**-82**

14 Prepayments

The item consists of prepaid expenses.

15 Contributed capital

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

16 Provisions for deferred tax

	Consolidated 2018 DKK	Consolidated 2017 1.000 DKK	Parent company 2018 DKK	Parent company 2017 1.000 DKK
Intangible assets	76.821	42	0	0
Property, plant and equipment	2.045.826	2.126	0	0
Liabilities other than provision	-426.657	-422	0	0
	1.695.991	**1.746**	**0**	**0**

17 Long-term liabilities other than provision

	Instalments within 12 months 2018 DKK	Instalments within 12 months 2017 1.000 DKK	Instalments beyond 12 months 2018 DKK	Debt after 5 years 2018 DKK
Group:				
Subordinate loan capital	9.500.000	0	17.000.000	0
Bank loan	907.053	2.273	7.901.038	3.149.089
	10.407.053	**2.273**	**24.901.038**	**3.149.089**
Parent:				
Subordinate loan capital	9.500.000	0	17.000.000	0
	9.500.000	**0**	**17.000.000**	**0**

18 Derivative financial instruments

Group:
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. 31.12.2018 has a net marketvalue of USD 394k. The derivative matures within 0-3 months from the balancesheet date.

Parent:
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. 31.12.2018 has a net marketvalue of USD 394k. The derivative matures within 0-3 months from the balancesheet date.

19 Unrecognised rental and lease commitments

Group:	2018 DKK	2017 1.000 DKK
Commitments and rental agreements or leases until expiry	63.000	63
	63.000	**63**

20 Contingent liabilities

Group:
In relation to the rental contracts with Danish harbours, there is a potential obligation for environmental treatment.

The group has an obligation on leasing buildings of DKK 4.612k.

The Group's bank has provided security towards cooperative partners amounting to DKK 868k.

The group has sold oil to a counterparty with an obligation to buy the oil back to the market price. 31.12.2017, the obligation is DKK 6,633k.

The Entity 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. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company´s financial statements.

Parent:
The company has a restobligation on leasing buildings of DKK 1.729k.

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 31.12.2018.

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. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company´s financial statements.

21 Mortgage and securities

Group:
Bank debt of DKK 67.252k 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 180,672k at 31.12.2018.

Bank debt of DKK 67.252k 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 11,856k at 31.12.2018. 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 1.465k at 31.12.2018.

Bank debt of DKK 17.368k has been secured by an all-money mortgage of DKK 11.000k on land and buildings with a carrying amount of DKK 9.286k at 31.12.2018.

Parent:
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 98,580k.

The floating charge is also provided as security for bank debt in subsidiary. The debt amounts to DKK 8,617k at 31.12.2018.

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 67,252k at 31.12.2018.

22 Consolidation

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

Abaris Holding ApS, Aalborg. Cvr-nr. 26 13 58 69

23 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 therefore there are no further information on transaction amounts according to the Danish financial statements Acts § 98c, 7.

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.

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.

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.