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KINECT ENERGY DENMARK A/S
STRØMMEN 6, 9400 NØRRESUNDBY
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2022

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 21 July 2023**

Paul Thomas Vian

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COMPANY DETAILS

Company	Kinect Energy Denmark A/S Strømmen 6 9400 Nørresundby CVR No.: 25 14 57 04 Established: 5 December 1999 Municipality: Aalborg Financial Year: 1 January - 31 December
Board of Directors	Paul Thomas Vian, chairman Richard Donald McMichael Therese Gjerde
Executive Board	Therese Gjerde
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V
General Meeting	The Annual General Meeting is held on 21 July 2023, at the company's address.

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Kinect Energy Denmark A/S for the financial year 1 January - 31 December 2022.

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 Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Aalborg, 21 July 2023

Executive Board

Therese Gjerde

Board of Directors

Paul Thomas Vian
Chairman

Richard Donald McMichael

Therese Gjerde

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Kinect Energy Denmark A/S

Opinion

We have audited the Financial Statements of Kinect Energy Denmark A/S for the financial year 1 January - 31 December 2022, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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 Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of 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 Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the 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 Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 taken on the basis of these 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 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 Company's internal control.

INDEPENDENT AUDITOR'S REPORT

- 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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Financial Statements, however, we have established that the Management Commentary lacks a sufficient description of the company's future expectations.

Copenhagen, 21 July 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Iben Larsen
State Authorised Public Accountant
MNE no. mne34474

FINANCIAL HIGHLIGHTS

	2022 DKK	2021 DKK	2020 DKK	2019 DKK	2018 DKK
Income statement					
Gross profit/loss.....	-1.511.318	990.590	3.923.485	2.423.086	2.044.396
Operating profit/loss of main activities...	-6.151.873	-1.614.670	1.806.739	75.792	-635.857
Financial income and expenses, net.....	-3.633.346	-981.597	-538.629	-81.490	-14.772
Profit/loss for the year before tax.....	-9.785.219	-2.596.267	1.268.110	-5.698	-650.629
Profit/loss for the year.....	-8.075.760	-2.086.808	988.638	119.223	-1.248.302
Balance sheet					
Total assets.....	161.659.927	87.274.534	62.638.155	32.373.684	29.986.247
Equity.....	-3.104.354	4.971.406	7.058.214	6.069.576	5.950.353
Investment in property, plant and equipment.....	0	0	0	0	0
Average number of full-time employees.....					
	4	3	3	3	4
Key ratios					
Quick ratio.....	116.2	106.3	113.1	123.2	157.4
Equity ratio.....	Neg.	5.7	11.3	18.7	19.8
Return on equity.....	-865.1	-34.7	15.1	2.0	-19.0

The ratios stated in the list of key figures and ratios have been calculated as follows:

Quick ratio:	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio:	$\frac{\text{Equity, at year end} \times 100}{\text{Total equity and liabilities, at year end}}$
Return on equity:	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

MANAGEMENT COMMENTARY

Principal activities

The objectives of the Company are to provide consultancy services within the energy sector regarding physical supplies, market analysis, renewable energy and related activities.

Development in activities and financial and economic position

Income statement

The Company's gross results declined by DKK 2.5 million reflecting a decline sales margin. The operating loss reflects to a large degree the volatility in the market for the year ended 31 December 2022.

Balance sheet and financial resources

The Financial Statements as of December 31, 2022, show net equity equal to a deficit of DKK 3,104,354, driven by retained losses equal to DKK -3.606.354. By virtue of the loss recognized in the current year, and in accordance with the Danish Companies Act, the Company's equity represents less than half of the subscribed share capital. Therefore, the Directors have decided to restore the capital deficiency through continued operations.

Development in activities

The Company continues to explore opportunities for long-term growth through increase in energy management.

Profit/loss for the year compared to the expected development

Management views the result for 2022 as satisfactory considering the challenges presented by tumultuous years in the energy market and its impact on customer energy procurements.

Significant events after the end of the financial year

No subsequent events have arisen since 31 December 2022 that have significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Future expectations

Management expects a continuation of current operations and the exploring of long-term growth opportunities through increase in energy management.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2022 DKK	2021 DKK
GROSS LOSS		-1.511.318	990.590
Staff costs.....	1	-3.264.091	-2.605.260
Depreciation, amortisation and impairment losses.....		-1.376.464	0
OPERATING LOSS		-6.151.873	-1.614.670
Other financial income.....	2	24.576	12.779
Other financial expenses.....	3	-3.657.922	-994.376
LOSS BEFORE TAX		-9.785.219	-2.596.267
Tax on profit/loss for the year.....	4	1.709.459	509.459
LOSS FOR THE YEAR	5	-8.075.760	-2.086.808

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK	2021 DKK
Derivative financial instruments.....		9.908.104	0
Financial non-current assets.....	6	9.908.104	0
NON-CURRENT ASSETS.....		9.908.104	0
Trade receivables.....		31.486.571	14.696.416
Receivables from group enterprises.....		22.023.867	0
Deferred tax assets.....	7	71.640	0
Derivative financial instruments.....	8	765.998	0
Other receivables.....		76.585.303	29.142.616
Joint tax contribution receivable.....		2.142.963	492.528
Prepayments.....	9	11.178	11.177
Receivables.....		133.087.520	44.342.737
Cash and cash equivalents.....		18.664.303	42.931.797
CURRENT ASSETS.....		151.751.823	87.274.534
ASSETS.....		161.659.927	87.274.534

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2022 DKK	2021 DKK
Share capital.....	10	502.000	502.000
Retained earnings.....		-3.606.354	4.469.406
EQUITY.....		-3.104.354	4.971.406
Derivative financial instruments.....	8	33.963.370	0
Other liabilities.....		179.461	179.461
Non-current liabilities.....	11	34.142.831	179.461
Prepayments received from customers.....		2.750.792	40.303.079
Trade payables.....		2.359.345	3.743.133
Payables to group enterprises.....		0	34.943.888
Derivative financial instruments.....	8	68.279.702	0
Other liabilities.....		57.231.611	3.133.567
Current liabilities.....		130.621.450	82.123.667
LIABILITIES.....		164.764.281	82.303.128
EQUITY AND LIABILITIES.....		161.659.927	87.274.534
 Contingencies etc.	 12		
Related parties	13		
Prerequisite for continued operation	14		
Significant events after the end of the financial year	15		
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EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2022.....	502.000	4.469.406	4.971.406
Proposed profit allocation, note 5.....		-8.075.760	-8.075.760
Equity at 31 December 2022.....	502.000	-3.606.354	-3.104.354

NOTES

	2022 DKK	2021 DKK	Note
Staff costs			1
Average number of employees	4	3	
Wages and salaries.....	3.190.888	2.221.693	
Pensions.....	22.652	346.126	
Social security costs.....	50.551	17.441	
Other staff costs.....	0	20.000	
	3.264.091	2.605.260	
Management have not received remuneration during the years ended 31 December 2022 and 2021.			
Other financial income			2
Other interest income.....	24.576	12.779	
	24.576	12.779	
Other financial expenses			3
Group enterprises.....	3.044.674	713.441	
Other financial expenses.....	613.248	280.935	
	3.657.922	994.376	
Tax on profit/loss for the year			4
Calculated tax on taxable loss for the year.....	-1.876.987	-509.459	
Adjustment of tax in previous years.....	239.168	0	
Adjustment of deferred tax.....	-71.640	0	
	-1.709.459	-509.459	
Proposed distribution of profit			5
Retained earnings.....	-8.075.760	-2.086.808	
	-8.075.760	-2.086.808	

NOTES

Financial non-current assets **Note**
 For further information regarding Derivative financial instruments see note 8. **6**

Deferred tax assets **7**
 Provision for deferred tax comprises deferred tax on Accrued compensation

	2022 DKK	2021 DKK
Deferred tax relates to:		
Accrued compensation.....	71.640	0
	71.640	0
Deferred tax of the year, income statement.....	71.640	0
Deferred tax assets 31 December 2022.....	71.640	0

Deferred tax has been provided at 22% corresponding to the current tax rate. The deferred tax asset is estimated to be utilized in the forthcoming 1-3 years.

NOTES

Note

Derivative financial instruments

8

The contractual or underlying principal amounts of the derivative financial instruments and their corresponding fair values at balance sheet date are analyzed below:

Contract notional amount MWh	Payment/Expiry	Receivables DKK	Debt DKK	Hedging-transaction DKK	Netposition DKK
414.340	>12 months	9.908.104	33.963.370	0	-24.055.266
461.392	0-12 months	765.998	68.279.702	0	-67.513.704
		10.674.102	102.243.072	0	-91.568.970

The derivative financial instruments impact the Balance Sheet, Income Statement and Equity as follows:

	Contract notional amount MWh
	875.732
Fair value at 31 December 2022	
Assets.....	10.674.102
Liabilities.....	-102.243.072
	-91.568.970
Value adjustment in the year recognised in the Income Statement.....	91.568.970

The Company entered into commodity-based derivatives, primarily related to electricity forward contracts, with customers in order to mitigate the risk of market price fluctuations to offer customers energy pricing alternatives to meet their needs. The frequency of the derivatives is dependent on the needs of the customer and is variable throughout the year. All derivatives are recognised on the Company's balance sheet at estimated fair market value based on quoted market prices or available market information.

The risk management activities are carried out by the ultimate parent, WKC, and its subsidiary WFS Singapore Pte, which pools the price risk, manages, and executes trades in Singapore on behalf of Kinect Energy Denmark A/S. The ultimate risk is retained with Kinect Energy Denmark A/S as the trades are pushed down to this entity. However, the management of this risk is performed by WFS Singapore Pte. In accordance with the Intercompany Derivative Agreement, unrealised and realised gains and losses are pushed down to Kinect Energy Denmark A/S, the net amount due to/from WFS Singapore Pte is settled on a monthly basis.

This structure is repeated across all subsidiaries of the Group where WFS Singapore Pte is an execution and risk management entity. This entity executes back-to-back trades executed with the Group subsidiaries per the Intercompany Derivate Agreement, and then manages these risks with an exchange or an OTC counterparty. Kinect Energy Denmark A/S delegates to WFS Singapore its reporting obligation with respect to (1) trades executed with customers, and (2) intercompany cash-settled or financially settled derivatives or swap transactions entered into between the Company and WFS Singapore in accordance with any regulatory and/or reporting obligations in accordance with any applicable law.

NOTES

	2022 DKK	2021 DKK	Note
Prepayments			9
Insurances.....	8.445	8.445	
Costs.....	2.733	2.732	
	11.178	11.177	
Share capital			10
Allocation of share capital:			
A shares, 5.020 units in the denomination of 100 DKK.....	502.000	502.000	
	502.000	502.000	
Long-term liabilities			11
	31/12 2022 total liabilities	Repayment next year	Debt outstanding after 5 years
			31/12 2021 total liabilities
Derivative financial instruments.....	102.243.072	68.279.702	0
Other liabilities.....	179.461	0	0
	102.422.533	68.279.702	0
			179.461
Contingencies etc.			12
Joint liabilities			
The Company is jointly and severally liable together with WKC Group's and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.			
Tax payable on the Group's joint taxable income is stated in the annual report of WFS DANISH HOLDING COMPANY I ApS, which serves as management company for the joint taxation.			
Related parties			13
The Company's related parties include:			
Controlling interest			
Kinect Energy AS, Norway is the principal shareholder.			
Transactions with related parties			
The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.			
Prerequisite for continued operation			14
The company has received a letter of support from the parent company, World Kinect Corporation, which secures operations in the company and the parent company will provide sufficient funds to fulfill the company's financial obligations as they fall due.			

NOTES**Note****Significant events after the end of the financial year****15**

No events have occurred after the end of the financial year of material importance for the Company's financial position.

Consolidated Financial Statements**16**

The Company is included in the Group Annual Report of the Ultimate Parent Company: World Kinect Corporation registered in Miami, Florida, USA.

The Group Annual Report of World Kinect Corporation (formerly known as World Fuel Services Corporation) may be obtained at the following address:

World Kinect Corporation
9800 N.W. 41 st street
Miami FL33178

ACCOUNTING POLICIES

The Annual Report of Kinect Energy Denmark A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium-size enterprises.

The Annual Report is prepared consistently with the accounting policies applied last year.

INCOME STATEMENT

Net revenue

Net revenue from the sale of services is recognised in the income statement when the significant risks and rewards of ownership have transferred to the purchaser and the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security for the Company's employees.

Other external expenses

Other external expenses include cost of sales, advertising, administration and buildings etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay, pensions, and other costs for social security, etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the results for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short term securities, which are readily convertible into cash and subject to only minor risks of changes in value.

Tax payable and deferred tax

Current tax liabilities and receivables are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years, and taxes paid on account.

The Company is jointly taxed with Danish subsidiaries where ownership is above 50 % in the Group. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the balance sheet under current assets and liabilities, respectively.

Deferred income tax is measured using the balance sheet liability method in respect to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Current liabilities are measured at net realisable value.

ACCOUNTING POLICIES

Derivative financial instruments

Derivative financial instruments are initially recognised in the Balance Sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised under receivables and payables, respectively.

Change in the fair value of derivative financial instruments classified as and complying with the criteria for hedging of the fair value of a recognised asset or a recognised liability is recognised in the Income Statement together with possible changes in the fair value of the hedged asset or the hedged liability.

Change in fair value of derivative financial instruments classified as and complying with the criteria for hedging of future cash flows is recognised under receivables or payables and under equity. If the future transaction results in recognition of assets or liabilities, all amounts recognised under equity are transferred from equity and recognised under the initial cost of the asset or liability, respectively. If the future transaction results in income or expenses amounts recognised under equity are transferred to the Income Statement for the period where the Income Statement was affected by the hedged amount.

As regards possible derivative financial instruments, which do not comply with the criteria for classification as hedging instruments, any changes in fair value are recognised on a current basis in the Income Statement.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

CASH FLOW STATEMENT

With reference to Section 86(4) of the Danish Financial Statements Act, the company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.