Monjasa Holding A/S

Annual Report

2022

Monjasa Holding A/S
Strevelinsvej 34
7000 Fredericia
Denmark

The Annual General Meeting adopted the Annual Report on 16 May 2023

Financial Period
1 January – 31 December
Central Business Registration No: 33150709

Chairman of the General Meeting

MONJASA

Monjasa Holding A/S

Annual Report

20
22

Welcome to the Monjasa Holding A/S

Annual Report 2022

1 Management's review

2 Financial statements

Monjasa Holding A/S

The Monjasa Group is a global partner in the oil and shipping industries.

Our core business includes trading and supplying marine fuels and shipowning activities on a global level.

Other main activities include CBED, offshore service company, and RelateIT, IT consultancy.

Company information

The company
Monjasa Holding A/S
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Central Business Registration
No: 33150709

Financial period
1 January - 31 December

Municipality of reg. office
Fredericia

Board of Directors
Flemming Ipsen (Chairman)
Anders Østergaard
Lotte Grønborg Lundberg
Peder Gellert Pedersen

Executive Management
Anders Østergaard
Rasmus Ravnholdt Knudsen

Auditors
Deloitte
Statsautoriseret
Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Management's review

Monjasa Shaker
Our oil and chemical tanker, Monjasa Shaker (9,867-dwt), in the Arabian Gulf.

Group CEO statement

Our strongest year ever

By remaining a close and observant partner to our customers, Monjasa recorded an increasing demand for our maritime activities and achieved the strongest year ever.

Monjasa means personal business — and even more so in a year of extraordinary developments across the oil and shipping industries.

The combination of historically strong shipping markets, high volatility and global trade flow disruptions contributed to a highly dynamic marine fuels market – an environment that provides customers and stakeholders with a safe port in Monjasa.

The year concluded with a record-high total volume of 6.4m metric tonnes (2021: 5.7m mts) of marine fuels supplied to shipowners and operators worldwide and a net result of USD 171m (2021: USD 22m).

In fact, from supplying 3.5m tonnes in 2017, Monjasa has increased total volume by 83% in five years earning a solid position among the world's top 10 largest marine fuel suppliers.

Navigating imbalanced markets

We believe that several factors contributed to making 2022 our strongest year ever. In particular, we saw how our fantastic group of colleagues continued living our values and supporting customers during uncertain times as well as the full value and recognition of running high-quality operations and holding a robust financial position.

The Monjasa organisation builds on the ability to observe and navigate the world and markets around us. We remain purpose-driven in how we work and the Group's overall ability to renew itself, adapt and change quickly has been an important driver when matching supply and demand in turmoil markets.

Turning to logistics, we saw how the marine fuels supply chain was put to the test in ports around the world due to the heated shipping markets and shifting trade flows. However, led by our operational standards and flexible upstream partnerships we were able to support our customers and suppliers during critical moments.

For Monjasa, this meant gaining market share at higher margins reflecting increased volatility and imbalanced supply and demand.

Lastly, the historically high price fluctuations favoured financially robust suppliers such as Monjasa, who were able to navigate this scenario together with suppliers and customers.

Positive financial developments and increasing fleet

Looking closer at the financial results, the high activity levels across all markets combined with increasing oil price levels led to a record-high total revenue of USD 5.5bn (2021: USD 3.2bn).

"The Monjasa organisation builds on the ability to observe and navigate the world and markets around us."

With a net result of USD 171m (2021: USD 22m) and an improved consolidated equity of a total of USD 323m (2021: USD 155m), the Monjasa Group made significant progress during the year and further improved our rock-solid financial position.

At sea, Monjasa's fleet increased to a total of 30 owned and chartered tankers and barges (2021: 22 vessels) of which 12 are owned. It remains a priority to have the fleet composed of an adequate mix of owned and chartered vessels to ensure both operational and financial flexibility across the Monjasa Group.

Enabling the fuel mix of tomorrow

During the year we continued making progress across our three pillars of Responsibility - Minimising our Environmental Impact, Leading Industry Governance and Promoting People and Relations.

Monjasa holds a unique position in the supply chain between upstream partners and downstream customers and we are firmly committed to enabling the logistics of tomorrow's alternative fuel mix by engaging in new partnerships. During the past year, we have supplied biofuels to the shipping industry in the Middle East and the Americas, while also entering into a collaboration to promote long-term green ammonia availability in Europe. This is the way forward for Monjasa.

A positive year in offshore and IT

Looking into the Monjasa Group's offshore wind activities, CBED, performed above expectations and demonstrated a record-high fleet utilisation rate of 96% for its SOV, Wind Innovation, during 2022. As a leading offshore wind logistics company, CBED foresees another busy year with a continued strong chartering demand throughout 2023.

Our IT business unit, RelateIT, also experienced strong demand for its consultancy services throughout the year. This meant that RelateIT further expanded its industry footprint in terms of specialised Microsoft solutions, geographical reach and a total workforce which increased by 28% to a total of 166 consultants.

Expectations for 2023

Altogether, this positive year leaves Monjasa in a favourable industry position to continue establishing new supply locations and help advance global trade today as well as in the future.

By using our experience in matching supply and demand at any volatility and oil price levels, we expect another strong year for Monjasa with a positive financial net result in the range of USD 40-80m.

Extraordinary people in every port

Keeping it personal and living our values continue to be our true strengths as we face further global trade uncertainties – and the past year will stay in our memories for a long time.

My sincere thanks to our extraordinary colleagues and our partners in every port for your dedication and loyalty, which keep fuelling trust in Monjasa as a global shipping partner.

Anders Østergaard

Performance overview

2022 financial highlights

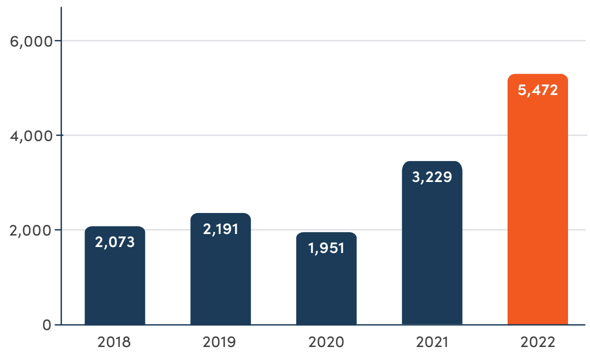
2022 was an extraordinary year across the oil and shipping industries and for the Monjasa Group. Focusing on the marine fuels activity, the total volume increased by 12% from 5.7m to 6.4m metric tonnes.

Achieving continuous growth during times of unprecedented high volatility and shifting global trade flows demonstrates the quality and in-built trust in the Monjasa brand.

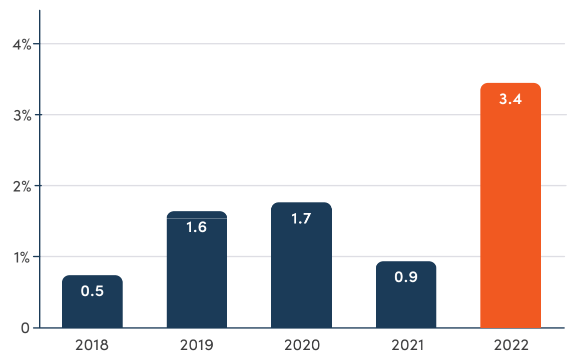
Total Group revenue increased to USD 5.5bn (2021: USD 3.2bn), while net result of USD 171m (2021: USD 22m) was above expectations set out in 2021.

2022 concluded with improved consolidated equity of a total USD 323m and an industry-leading solvency ratio of 46%. The Group thereby continues to demonstrate a highly robust financial position in the oil and shipping industries.

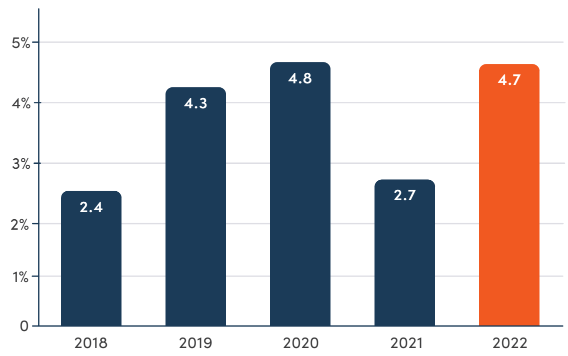
Revenue in USD million



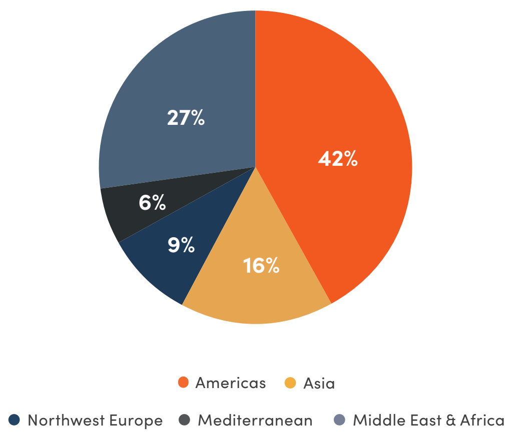
Profit margin



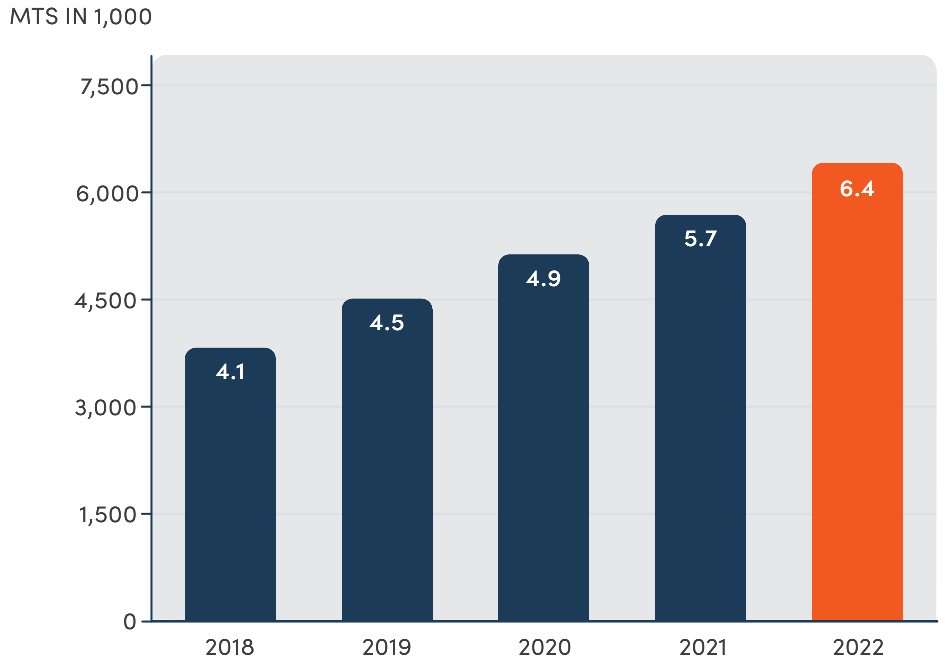
Gross margin



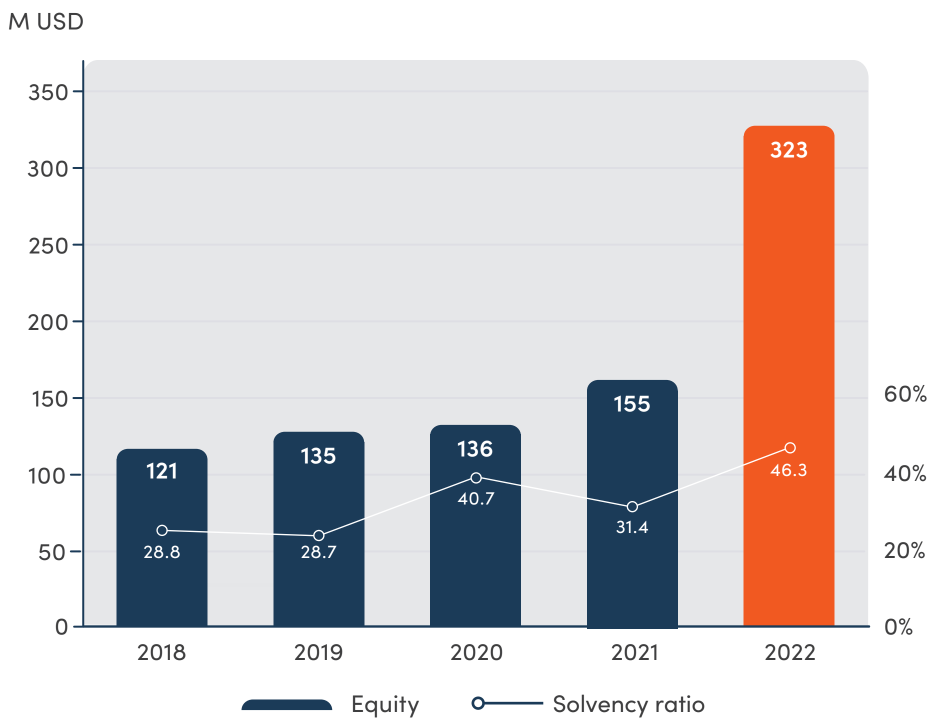
Regional Volumes



Total volume development



Group equity and solvency ratio



Monjasa in numbers

70,017
max. number of tonnes delivered in one day

13,425
supply operations

79
max. number of supplies in one day

51
different employee nationalities

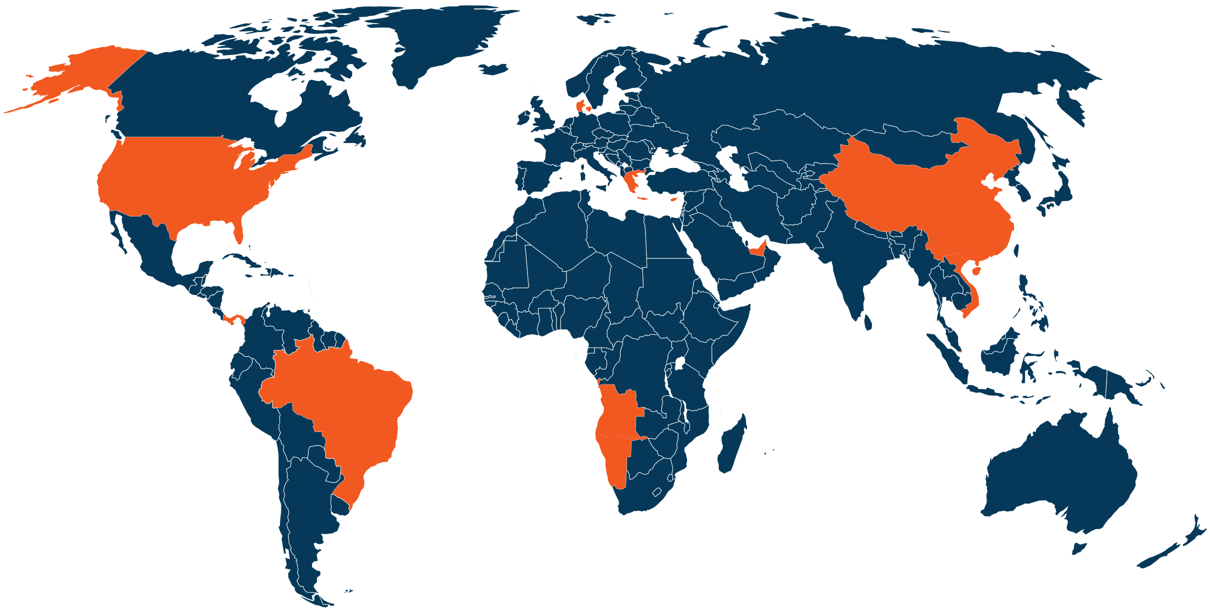
14
offices across time zones

113
nations serviced

Top 10 supply areas

1. Balboa
2. Singapore
3. Jebel Ali
4. Cristobal
5. Lomé
6. Houston
7. Cartagena
8. Fujairah
9. Port Klang
10. Congo

Fuelling global trade across our 14 offices



AMERICAS

4 offices / 57 employees
1 oil terminal
2,650,000 mts supplied in 2022

MIDDLE EAST & AFRICA

3 offices / 63 employees
1 floating storage
1,750,000 mts supplied in 2022

NORTHWEST EUROPE

2 offices / 97 employees
1 oil terminal
550,000 mts supplied in 2022

MEDITERRANEAN

2 office / 13 employees
350,000 mts supplied in 2022

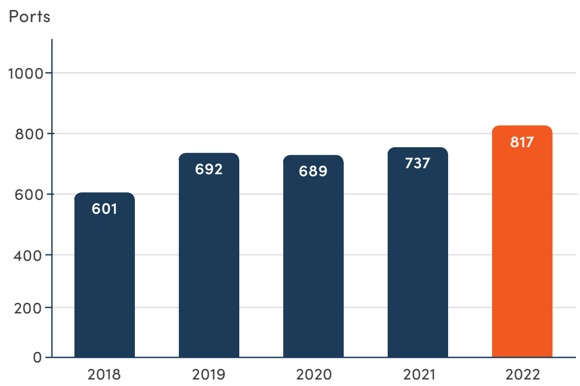
ASIA

3 offices / 21 employees
1,000,000 mts supplied in 2022

Customer insights

817 ports served globally in 2022.

Region	Ports
Europe	319
Asia	196
Americas	153
West Africa	80
The Middle East	69



Customer satisfaction

4,905

customer satisfaction surveys were completed across Monjasa's own supply operations in West Africa, Panama, Colombia, US Gulf, Northwest Europe and the Middle East in 2022.

4,875

of those confirmed satisfaction with the received services.

Compliance training

97%

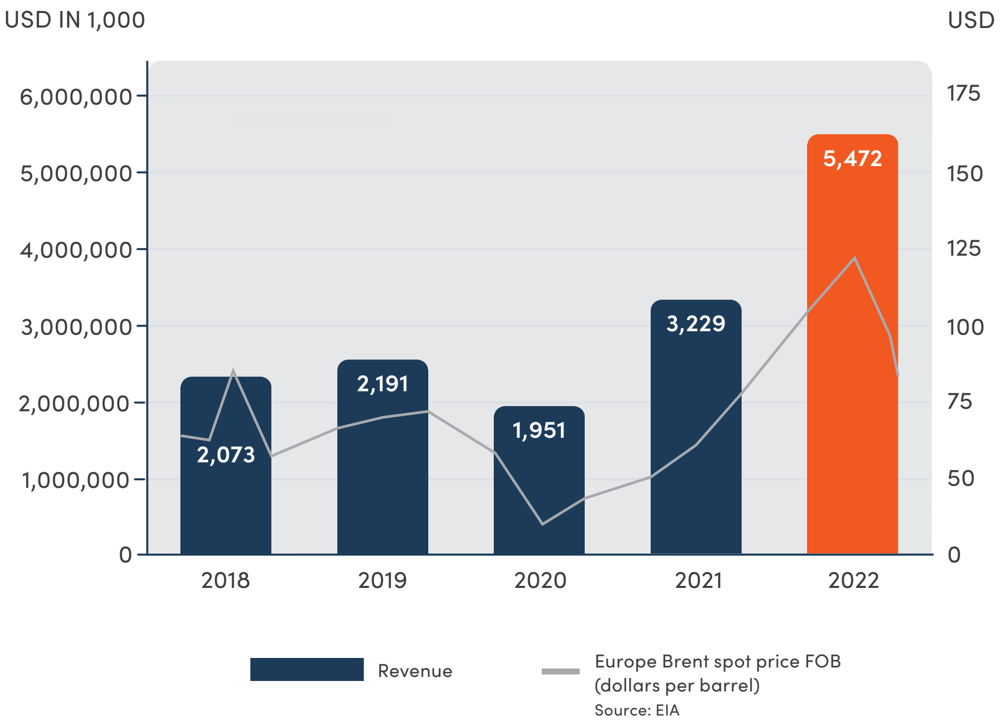
of employees completed Anti-Bribery and Anti-Corruption training in 2022.

Know your customer

49,239

vessels were screened by our Compliance department before potentially doing business with Monjasa in 2022.

Revenue/oil price development



Increasing oil price levels affect total revenue

Higher total supply volume in combination with an increase in average oil price levels from USD 71 to USD 101 affected the total revenue of the year.

Realised losses <0.1%

Limited loss on debtors in 2022 compared to revenue, through in-depth due diligence on all counterparties.

The Monjasa fleet

Total number of tankers and barges in our fleet

30

Our fleet
Monjasa tankers in Portland Port.


14 Americas
2 Northwest Europe
9 West Africa
5 The Middle East

Chairman of the Board
Flemming Ipsen

Letter from the Chairman

An extraordinary 2022 follows years of continuous positive developments across the Monjasa Group as a trusted supplier to global shipping.

Extraordinary strong years are not new to shipping. Neither are the tough ones. From our personal experiences we are very mindful of this in the Board of Directors. Coming from a year of record volumes and return on equity, we therefore remind ourselves of our strong operating model, which has made Monjasa in demand as a safe port across IMO2020, the pandemic, and most recently, unprecedented volatile oil and shipping markets.

This reflects our growing confidence in our purpose-driven business approach and our ability to deliver value to our customers in uncertain times.

Continuing our way of business

This also means that Monjasa will stick closely to our way of business no matter the markets we face. Our partners will continue experiencing Monjasa as a quality and relations-focused maritime logistics provider.

We will keep running a responsible business based on in-depth due diligence on all counterparties and resulting in low realised losses on debtors.

Another example of continuing our way of business is Monjasa's strict compliance measures which were put to the test by Russia's invasion of Ukraine on 24 February 2022. Monjasa instantly halted all trade with Russian entities and suspended the purchase of oil products of Russian origin. For the remainder of the year, we have been constantly monitoring and successfully implementing adequate measures matching the ever-changing sanctions compliance landscape.

Extending our financial flexibility

Looking at our financial developments in a five-year retro perspective, we have improved our financial profile significantly over time. By the end of 2022, we can demonstrate a solvency ratio well above 40% and we have more than doubled return on equity during the past year.

Moreover, we have reduced net debt significantly in 2022 and by this year total cash exceeds total bank debt, leaving us an extended financial headroom when looking to the future.

Partnering sustainably

Together, these positive developments leave Monjasa with further opportunities to contribute actively to the green shipping transition taking place. Thanks to our unique position in the value chain, we are well underway in establishing new partnerships to enable the logistics of biofuels and green ammonia. This is just the beginning and we will continue building relations and forming new partnerships minding the short, medium and long-term alternative fuels demand.

Navigating 2023 together

Considering the current macro-outlook, the Monjasa Group observes the softening of the past year's strong global trade activity as well as the various initiatives to curb inflation around the world. Together with the roll-out of the global minimum corporate tax, these elements are all part of a global business environment and conditions for a level playing field.

At Monjasa, we will continue to safely navigate these developments together with our financial partners and we are proud to work with leading regional banks across our main business areas. This provides us access to a high level of local knowledge and support as new market opportunities continue to arise across our global operation. In the boardroom, we are thankful and confident of the continuous joint benefits of these trusted relationships.

Our sincere thanks

In closing, we are pleased to form part of these positive developments and honoured to work alongside such dedicated colleagues at all offices and onboard our ships.

We are absolutely confident that this Monjasa team will continue finding new ways forward for the benefit of customers and the communities we are an active part of.

Flemming Ipsen

Five-year financial highlights

Five-year financial highlights

Seen over a five-year period, the development of the Group is described by the following financial highlights:

Group

Key figures	**2022**	**2021**	**2020**	**2019**	**2018**
	USD '000	USD '000	USD '000	USD '000	USD '000
Income statement					
Revenue	**5,471,892**	**3,228,715**	**1,950,885**	**2,191,082**	**2,073,229**
Gross profit	259,361	86,679	93,074	93,662	49,098
Profit before financial income and expenses	186,092	29,250	34,009	36,095	8,336
Net financials	-3,926	-3,425	-2,938	-4,335	-5,497
Net profit for the year	**170,836**	**22,258**	**30,040**	**26,494**	**4,858**
Balance sheet					
Balance sheet total	697,106	494,731	334,587	469,721	416,737
Equity	322,868	155,101	136,136	134,849	120,528
Cash flow from:					
- operating activities	87,576	13,228	79,843	-21,474	-20,185
- investment in intangible assets	-1,673	-1,120	-1,286	-986	-983
- investment in tangible assets	-19,591	-11,912	-8,051	-20,148	-8,424
- sale of tangible assets	6,000	1,278	570	402	8,885
- financing activities	-73,419	32,429	-83,040	44,564	19,914
Change in cash and cash equivalents for the year	**-1,107**	**33,903**	**-11,964**	**2,358**	**-793**
Average number of employees	650	568	509	503	456
Ratios					
Gross margin	4.7%	2.7%	4.8%	4.3%	2.4%
Profit margin	3.4%	0.9%	1.7%	1.6%	0.4%
Return on assets	26.7%	5.9%	10.2%	7.7%	2.0%
Equity ratio (solvency)	46.3%	31.4%	40.7%	28.7%	28.9%
Return on equity	71.5%	15.3%	22.2%	20.7%	4.0%

Explanation of financial ratios - page 55

Responsibility

Green ammonia partnership
Bird's-eye view of the location where our partner, HØST PtX Esbjerg, will construct one of Europe's largest PtX-based ammonia plants.

Group Responsibility Director

Connecting responsibly to fuel the future

In Monjasa, we believe that our agenda of Responsibility is fundamental in fuelling the future of global trade - and we are motivated by enabling partnerships vital in setting the course.

Global trade has been a part of human history for thousands of years and been a powerful force in connecting communities around the world. Enabling them to exchange goods, ideas and culture, while promoting economic growth and building relations in every port a ship comes in.

This has brought all of us closer together and continues to promote understanding and collaboration for a better tomorrow.

Green fuel partnerships arise

One of the most pressing global challenges is fighting climate change and, in this challenge, we stand shoulder to shoulder with Danish Shipping and the International Maritime Organization (IMO) in reducing our emissions. We are finding shared solutions across our industry and taking a lead in making green solutions accessible to our partners.

In partnership with HØST PtX Esbjerg and Copenhagen Infrastructure Partners (CIP), we are creating the fuel infrastructure of tomorrow by providing logistics services that will enable distribution of green ammonia from HØST PtX Esbjerg, which is a Danish power-to-ammonia project with a favourable distribution route to the North Sea.

Running a responsible business

Another challenge that requires collaborative efforts and shared solutions is that of solid governance models in an ever-changing geopolitical environment. Promoting transparency and accountability throughout our value chains contributes to the trust that fuels cooperation in the maritime industry.

Standing firm on what we can tolerate and not tolerate as global citizens need shared solutions with governmental and private participation to sustain our commitments to running a responsible business.

In Monjasa, we do this by partnering with the Maritime Anti-Corruption Network (MACN) to learn, inspire and commit to good business practices - and with Deloitte to challenge us on what is best practice across all our levers of leading industry governance.

Connecting trainees and leadership

Lastly, taking an active role in finding shared solutions to global challenges requires connecting the right people. For us, this happens daily across our 14 offices. Connecting with each other and our customers in fuelling global trade, we actively promote personal relations across time zones, cultures, backgrounds, genders and perspectives.

Our trainees are part of the Danish Shipping Education where they meet with a wide range of people and cultures during their traineeship. At the same time, our senior leadership team is part of an immersive leadership program that takes place in Sierra Leone. Here, our leadership team learn and reflect on their personal purpose together with the Connected Leadership facilitators and leaders from the local NGO, For a New Tomorrow (FANT).

Together, investing in future talent and continuous leadership development underscores our Promoting People and Relations mindset and long-term ambitions.

Jesper Nielsen

Our three pillars of Responsibility

We have decided to work with the wider sustainability agenda under the heading of Responsibility. We believe this is concise and flows naturally from the efforts we have already put into our operating model.

Minimising our environmental impact	Leading industry governance	Promoting people and relations

The Monjasa Holding A/S Responsibility Report 2022 represents Monjasa's compliance with the Danish Financial Statements Act, 99 (a), (b) and (d). The report is available on https://monjasa.com/press-room/

Enabling the fuel mix of tomorrow

Monjasa is determined to play an active part in enabling shipping's transition to alternative fuels.

ISCC certified biofuels supplier

Monjasa is enabling biofuels logistics by building new supply chain partnerships around the world.

By establishing new partnerships Monjasa is present at the production site and throughout the supply chain to understand the full spectrum of logistics needed to offer drop-in fuel solutions.

Through our combined synergies across fuel sourcing, production, logistics, and recently becoming International Sustainability & Carbon Certified biofuels supplier, we are building scalable biofuel options for the maritime industry.

Monjasa tankers enabling biofuels logistics
In 2022, our 9,600-dwt tanker, Monjasa Server, became our first vessel to successfully blend and supply B20 biofuel to a customer vessel off Dubai.

B20 biofuel consists of 20% biodiesel, made exclusively from cooking oil waste and 80% Very Low Sulphur Fuel Oil (VLSFO). B20 presents a good balance of cost, emissions, and equipment compatibility to immediately reduce CO2 emissions and support the decarbonisation of shipping.

Green ammonia partnership

Together with one of Europe's largest green ammonia facilities, we are accelerating the green shipping transition.

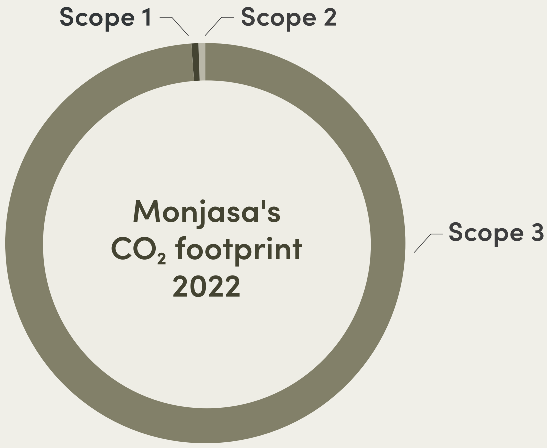
Monjasa has partnered with Danish power-to-ammonia project, HØST PtX Esbjerg, managed by Copenhagen Infrastructure Partners (CIP) and signed a Commercial Collaboration Agreement (CCA) on logistics services and offtake of green ammonia for the maritime sector.

Promoting green fuels availability in Northwest Europe
A volume of the planned production, which is expected to be available in 2028-2030, will be reserved for Monjasa.

With this offtake agreement, Monjasa will be the first bunkering company to offer green ammonia to vessel owners in the North Sea.

Also, operating logistics solutions will allow Monjasa to learn about green ammonia handling and be in a first-mover position as the market for green fuels expands in the future. With this agreement in place, Monjasa is already able to discuss green ammonia offtake agreements with our customers.

Group carbon accounting



Scope 1

Direct emissions from operations owned or controlled by Monjasa such as fuel consumed from our owned vessels and cars.

Direct emissions
64,881 (tonnes CO_2 eq)

Scope 2

Indirect emissions from the generation of purchased energy consumed by Monjasa. As an example, this is heating and cooling systems and the electricity we purchase to use in our offices.

Indirect emissions
325 (tonnes CO_2 eq)

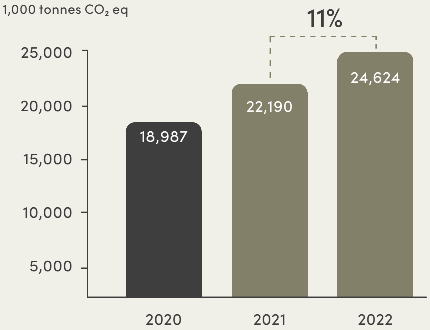
Scope 3

Indirect emissions that occur in Monjasa's value chain. These include emissions from subcontractors and chartered vessels, however, this scope is predominantly made up of product life cycle emissions from supplier production and customer combustion emissions.

Indirect emissions
24,558,964 (tonnes CO_2 eq)

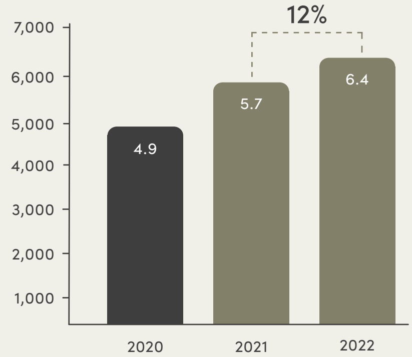
CO_2 emissions

1,000 tonnes CO_2 eq



Volume development

MTS IN 1,000



Adapting our three-tier risk assessment approach

Claiming an industry-leading position across corporate governance requires us to work proactively and improve our concrete actions year-on-year.

To help ensure that our risk management approach can meet the needs of the ever-changing risk environment, our compliance department engaged in workshops with Deloitte's Risk Assessment & Strategy team during 2022.

Here, we identified key areas of opportunity and developed a roadmap for putting further weight behind our Group governance ambitions.

Observing and navigating across our compliance programme make such improvements possible and we have collected some of the inspiration and expected outputs from our joint collaboration.

More qualitative processes

Risk Assessment is the process of identifying hazards across businesses, including the regulatory landscape and organisational changes. For Monjasa to do this effectively, we need to be ahead of developments and having the willingness to adapt.

Here, the main task remains to identify current and relevant risks as well as new methods moving away from the matrix concept and adding more qualitative processes.

In the end, we are developing just the right measures for our own organisation.

One does not fit all - and we need to keep exploring how to make the right considerations.

Business understanding

Internal controls help us mitigate risk and ensure that our objectives are achieved.

For our team, it is key to understand the business in order to fully understand existing controls and how to measure effectiveness and adaptation to new risks.

Benchmarking against other industries

Best industry practices may go beyond oil and shipping. We believe that gap analysis and benchmarks against other industries force active decisions and assessments of what is in place and what needs to be changed.

At Monjasa, our risks are changing, the regulatory landscape is changing and we need to be on top. It therefore also felt natural to us to expand the scope and include other industries to learn from as we move forward together.

With the groundwork completed and renewed inspiration on board, our attention shifts towards the implementation of a new overall compliance risk assessment model during 2023.

Mitigating oil price risks

At Monjasa, we take a structured approach in hedging the exposure towards oil price volatility while allowing adequate operational flexibility to service our customers efficiently.

Exposure arises when the buying and selling prices are not fixed at the same time. This is the case for a part of our physical activities and a limited part of our reselling business. Hedging is done using financial instruments negatively correlating the value of the risk.

We have a dedicated department in place with advanced systems allowing them to continuously forecast, monitor and report the exposure from each business unit. This allows us to ensure consistent compliance with the Oil Price Risk Management Policy approved by the Board of Directors of Monjasa Holding.

An inclusive mindset for diversity to thrive

We are reinforcing our commitment to cultivate and sustain a diverse and inclusive workplace where everyone feels valued through our Group-wide Inclusiveness theme in 2022.

The Group-wide Inclusiveness initiative, launched in 2021 and further developed in 2022, functions as the overarching theme for all our initiatives to cultivate diversity, equity, and inclusion and is one of the main objectives under our Promoting People and Relations pillar in our Responsibility agenda.

Facilitating Group-wide workshops on inclusiveness

Monjasa has a global workforce of around 50 nationalities, and we pride ourselves in being a diverse workplace with people of different backgrounds and beliefs. We are of the conviction that having an inclusive organisation leads to a healthy work environment, where our people, regardless of differences, feel welcome, valued, and thrive. It is imperative for us to have a diverse and inclusive culture that is centred upon our value of Respect.

In 2022, to progress our work on the Inclusiveness theme, we facilitated mandatory Group-wide Inclusiveness workshops, to heighten our employee's consciousness towards this important agenda. Based on casework, the workshops included topics such as bringing awareness to our own biases and offered a safe space for our employees to share and discuss individual perceptions and beliefs.

Providing equal opportunities

Monjasa is committed to providing equal opportunities to all employees. We believe in harnessing the power of education in uncovering unconscious bias to mitigate any unfair practices in the workplace. We therefore recruit and promote employees, solely based on merit rather than focusing on gender equality.

Addressing gender diversity

In 2022, we were composed of 30% female employees in the Group (2021:31%). Excluding RelateIT, the female composition of employees is 37% (2021:38%).

The female representation of managers in the Group decreased slightly from 22% in 2021 to 21% in 2022. Excluding RelateIT, the female composition of managers is 23%.

While we are aware that the gender composition at manager/management levels is disproportionate to our overall employee gender ratio, we remain steadfast in our view that the most competent and suitable candidates have been selected for the job.

To counteract the gender imbalance in boardrooms, Monjasa has a target of having at least one female representation on the board, which is currently composed of three males and one female. This is considered as equal gender representation as per the guidance of the Danish Business Authority and therefore no formal target has been set to change this.

It is our policy to cultivate a diverse and inclusive workforce through cultural and structural means. We do so by mitigating unconscious bias, as we believe that this fuels an organisational culture that is curious, willing to question misconceptions, naturally giving rise to a more diverse representation across the organisation, including the management level. At the same time, we will continue to work on improving procedural fairness in terms of recruitment process, employee development and promotion opportunities.

Future outlook

Looking ahead, we will continue to build the foundation of our Inclusiveness theme by facilitating Group-wide workshops promoting inclusiveness and mitigating unconscious bias, as well as progress the diversity and inclusion agenda in the industry by engaging with external relations. We will also commence cultural awareness workshops towards the end of 2023.

Monjasa Oil & Shipping Trainee
Valerie Della Togna from our MOST batch of 2022, consisting of eight trainees, joined Monjasa's Panama office.

Financial statements

Group CFO
Rasmus Ravnholdt Knudsen

Financial statements

Income statement

	Note	Group 2022	Group 2021	Parent company 2022	Parent company 2021
		USD '000	USD '000	USD '000	USD '000
Revenue	1	5,471,892	3,228,715	0	0
Other operating income and expenses		1,287	627	16,094	1,890
Cost of sales		-5,187,353	-3,125,798	0	0
Other external expenses		-26,494	-16,865	-4,169	-288
Gross profit/loss		**259,332**	**86,679**	**11,925**	**1,602**
Staff expenses	2	-63,166	-48,178	-12,757	-3,447
Depreciation, amortisation and impairment of intangible assets, property, plant and equipment	3	-10,074	-9,251	-1,278	-25
Profit/loss before financial income and expenses		**186,092**	**29,250**	**-2,110**	**-1,870**
Income from investments in subsidiaries and associates after tax	4	0	0	174,940	24,398
Financial income	5	4,568	1,873	5,892	3,554
Financial expenses	6	-8,494	-5,298	-4,931	-2,831
Profit/loss before tax		**182,166**	**25,825**	**173,791**	**23,251**
Tax on profit/loss for the year	7	-11,330	-3,567	1,863	-177
Net profit/loss for the year	8	**170,836**	**22,258**	**175,654**	**23,074**

Financial statements

Balance sheet
Assets

	Note	Group 2022	Group 2021	Parent company 2022	Parent company 2021
		USD '000	USD '000	USD '000	USD '000
Software and licences		2,550	2,441	2,156	0
Goodwill		1,048	1,435	0	0
Intangible assets	9	**3,598**	**3,876**	**2,156**	**0**
Land and buildings		6,406	7,847	0	0
Ships		60,945	56,239	0	0
Other fixtures and fittings, tools and equipment		3,487	2,476	186	148
Leasehold improvements		327	451	0	0
Tangible assets	10	**71,165**	**67,013**	**186**	**148**
Investments in subsidiaries	11	0	0	293,120	159,443
Investments in associates	12	0	0	0	0
Other investments	13	325	344	325	0
Deposits	13	2,244	1,309	0	0
Fixed assets investments		**2,569**	**1,653**	**293,445**	**159,443**
Fixed assets		**77,332**	**72,542**	**295,787**	**159,591**

Financial statements

Balance sheet
Assets

	Note	Group 2022	Group 2021	Parent company 2022	Parent company 2021
		USD '000	USD '000	USD '000	USD '000
Inventories		**92,298**	**43,672**	**0**	**0**
Trade receivables		438,694	309,836	92	0
Receivables from related/group enterprises		19,287	2,412	155,477	97,140
Receivables from associates		3,203	4,475	3,203	3,106
Other receivables	18	16,065	9,844	2,148	1,529
Tax receivables		430	1,822	2,366	252
Deferred tax asset	16	1,493	2,351	0	0
Prepayments	14	4,008	3,709	0	0
Receivables		**483,180**	**334,449**	**163,286**	**102,027**
Cash at bank and in hand		**44,296**	**44,068**	**1,157**	**4**
Current assets		**619,774**	**422,189**	**164,443**	**102,031**
Assets		**697,106**	**494,731**	**460,231**	**261,622**

Financial statements

Balance sheet
Liabilities and equity

	Note	Group 2022	Group 2021	Parent company 2022	Parent company 2021
		USD '000	USD '000	USD '000	USD '000
Share capital	15	85	85	85	85
Reserve for net revaluation under the equity method		0	0	307,688	133,465
Retained earnings		300,909	153,793	1,590	23,363
Proposed dividend for the year		20,000	0	20,000	0
Non-controlling interests		1,874	1,223	0	0
Equity		**322,868**	**155,101**	**329,363**	**156,913**
Provisions		183	170	272	5
Provisions		**183**	**170**	**272**	**5**
Bank loans		13,809	21,565	0	0
Lease obligations		0	1,082	0	0
Long-term debt	17	**13,809**	**22,647**	**0**	**0**

Financial statements

Balance sheet
Liabilities and equity

	Note	Group 2022	Group 2021	Parent company 2022	Parent company 2021
		USD '000	USD '000	USD '000	USD '000
Credit institutions	17	12,007	65,936	1,305	20,216
Prepayments received from customers		2,397	1,107	0	0
Trade payables		312,997	224,103	3,215	2,982
Payables to related/group enterprises		11,193	1,383	125,554	80,996
Payables to associated enterprises		0	2,155	0	0
Corporation tax		14,553	10,044	0	0
Other payables	18	7,099	12,085	521	510
Short-term debt		**360,246**	**316,813**	**130,595**	**104,704**
Debt		**374,055**	**339,460**	**130,595**	**104,704**
Liabilities and equity		**697,106**	**494,731**	**460,231**	**261,622**

	Note
Contingent assets, security, liabilities and other financial obligations	19
Fee to auditors appointed at the general meeting	20
Related parties	21
Events after the balance sheet date	22

Financial statements

Statement of changes in equity

	Group				
	Share capital	Retained earnings	Proposed dividend for the year	Non-controlling interests	Total
	USD '000	USD '000	USD '000	USD '000	USD '000
Equity at 1 January	85	153,793	0	1,223	155,101
Extraordinary dividend	0	0	-3,000	0	-3,000
Exchange adjustments relating to separate foreign legal entities	0	-69	0	0	-69
Net profit for the year	0	147,185	23,000	651	170,836
Equity at 31 December	**85**	**300,909**	**20,000**	**1,874**	**322,868**

	Parent company				
	Share capital	Reserve under the equity method	Retained earnings	Proposed dividend for the year	Total
	USD '000	USD '000	USD '000	USD '000	USD '000
Equity at 1 January	85	133,465	23,363	0	156,913
Extraordinary dividend	0	0	0	-3,000	-3,000
Exchange adjustments relating to separate foreign legal entities	0	-485	281	0	-204
Net profit/loss for the year	0	174,708	-22,054	23,000	175,654
Equity at 31 December	**85**	**307,688**	**1,590**	**20,000**	**329,363**

Financial statements

Cash flow statement

	Note	Group 2022	Group 2021
		USD '000	USD '000
Net profit for the year		170,836	22,258
Adjustments	23	24,043	16,312
Change in working capital	24	-98,806	-19,665
Cash flows from operating activities before financial income and expenses		**96,073**	**18,905**
Financial income received		4,568	1,873
Financial expenses paid		-8,494	-5,298
Cash flows from ordinary activities		**92,147**	**15,480**
Corporation tax received/paid		-4,571	-2,252
Cash flows from operating activities		**87,576**	**13,228**
Purchase of intangible assets		-1,673	-1,120
Purchase of ships		-16,783	-6,813
Purchase of property, plant and equipment		-2,808	-5,099
Sale of ships, property, plant and equipment		6,000	1,278
Cash flows from investing activities		**-15,264**	**-11,754**
Proceeds from borrowings from credit institutions		0	34,396
Repayment of loans to credit institutions		-53,929	0
Repayment from borrowings other loan		-7,756	0
Change in receivables from group		-16,875	650
Change in receivables from associates		1,272	-48
Change in loans to group		9,810	77
Change in loans to associates		-2,155	107
Repayments of lease obligations		0	-253
Dividends paid		-3,786	-2,500
Cash flows from financing activities		**-73,419**	**32,429**
Change in cash and cash equivalents		**-1,107**	**33,903**
Cash and cash equivalents at 1 January		44,068	10,395
Exchange rate adjustments		1,335	-230
Cash and cash equivalents at 31 December		**44,296**	**44,068**

Financial statements

Notes to the financial statements

1 Business segment information		Group
	2022	**2021**
	USD '000	USD '000
Oil	5,438,294	3,196,220
Offshore wind	11,086	10,690
Other	22,512	21,805
	5,471,892	**3,228,715**

2 Staff expenses		Group		Parent company
	2022	**2021**	**2022**	**2021**
	USD '000	USD '000	USD '000	USD '000
Wages and salaries	60,558	45,765	12,326	3,383
Pensions	1,768	1,865	431	64
Other social security expenses	870	548	30	0
	63,196	**48,178**	**12,787**	**3,447**
Including remuneration to the Executive management of:	5,536	2,522	5,536	2,522
Including remuneration to the Board of Directors of:	509	300	509	300
Average number of employees	650	568	51	5

Financial statements

Notes to the financial statements

3 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

	Group		Parent company	
	2022	**2021**	**2022**	**2021**
	USD '000	USD '000	USD '000	USD '000
Software and licenses	1,385	1,273	1,225	0
Goodwill	354	374	0	0
Land and buildings	793	613	0	0
Ships	6,304	6,030	0	0
Other fixtures and fittings, tools and equipment	1,099	805	53	25
Leasehold improvements	139	156	0	0
	10,074	**9,251**	**1,278**	**25**

4 Income from investments in subsidiaries and associates after tax

	Group		Parent company	
	2022	**2021**	**2022**	**2021**
	USD '000	USD '000	USD '000	USD '000
Share of profits of subsidiaries after tax	0	0	174,940	24,398
	0	**0**	**174,940**	**24,398**

Financial statements

Notes to the financial statements

5 Financial income	Group		Parent company	
	2022	2021	2022	2021
	USD '000	USD '000	USD '000	USD '000
Interest income from related/group enterprises	174	35	5,829	3,554
Exchange adjustments	0	730	0	0
Other financial income	4,394	1,108	63	0
	4,568	**1,873**	**5,892**	**3,554**

6 Financial expenses				
	2022	2021	2022	2021
	USD '000	USD '000	USD '000	USD '000
Interest expenses to related/group enterprises	52	6	2,174	585
Exchange adjustments	1,036	994	768	561
Other financial expenses	7,406	4,298	1,989	1,685
	8,494	**5,298**	**4,931**	**2,831**

7 Tax on profit/loss for the year				
	2022	2021	2022	2021
	USD '000	USD '000	USD '000	USD '000
Current tax for the year	9,544	668	-2,365	-252
Deferred tax for the year	-204	1,373	572	4
Adjustment of tax concerning previous years	928	1,044	299	398
Adjustment of deferred tax concerning previous years	1,062	482	-369	27
Total tax for the year	**11,330**	**3,567**	**-1,863**	**177**

8 Distribution of profit				
	2022	2021	2022	2021
	USD '000	USD '000	USD '000	USD '000
Extraordinary dividend paid out	3,000	0	3,000	0
Proposed dividend for the year	20,000	0	20,000	0
Reserve for net revaluation under the equity method	0	0	174,708	24,398
Retained earnings	147,195	22,136	-22,054	-1,323
Minority shareholders' share of profit subsidiaries	641	122	0	0
	170,836	**22,258**	**175,654**	**23,075**

Financial statements

Notes to the financial statements

9 Intangible assets		Group
	Software and licenses	Goodwill
	USD '000	USD '000
Cost at 1 January	9,200	3,634
Net exchange adjustment	-46	-208
Additions for the year	1,673	86
Disposals for the year	-2,617	0
Cost at 31 December	**8,209**	**3,512**
Impairment losses and amortisation at 1 January	6,759	2,199
Net exchange adjustment	-3	-89
Amortisation for the year	1,385	354
Reversal of amortisation from disposals	-2,481	0
Impairment losses and amortisation at 31 December	**5,660**	**2,464**
Carrying amount at 31 December	**2,550**	**1,048**
Amortised over	5-8 years	5-10 years

Notes to the financial statements

10 Property, plant and equipment	Land and buildings	Ships	Other fixtures and fittings, tools and equipment	Leasehold improvements
				Group
	USD '000	USD '000	USD '000	USD '000
Cost at 1 January	12,328	106,523	10,626	1,989
Net exchange adjustments	0	-2,020	-28	-19
Additions for the year	0	16,783	2,745	62
Disposals for the year	-1,407	-5,305	-705	-166
Cost at 31 December	**10,921**	**115,981**	**12,638**	**1,866**
Impairment losses and depreciation at 1 January	4,481	50,284	8,150	1,538
Net exchange adjustments	0	-960	-30	-9
Depreciation for the year	793	6,304	1,099	139
Reversal of depreciation from disposals	-759	-592	-68	-129
Impairment losses and depreciation at 31 December	**4,515**	**55,036**	**9,151**	**1,539**
Carrying amount at 31 December	**6,406**	**60,945**	**3,487**	**327**
Depreciated over	20 years	2-17 years	3-8 years	4-5 years

Financial statements

Notes to the financial statements

11 Investments in subsidiaries	Parent company	
	2022	2021
	USD '000	USD '000
Cost at 1 January	25,976	25,972
Additions for the year	100	76
Disposals for the year	-576	-72
Cost at 31 December	**25,501**	**25,976**
Revaluations at 1 January	133,467	109,959
Disposals for the year	-209	36
Net exchange adjustment	-486	-926
Net profit for the year	174,940	24,398
Dividends received	-40,093	0
Revaluations at 31 December	**267,619**	**133,467**
Carrying amount at 31 December	**293,120**	**159,443**

Financial statements

Notes to the financial statements

11 Investments in subsidiaries

Name	Place of registered office	Ownership
Downstream Holding A/S	Fredericia, Denmark	100%
Monjasa A/S	Fredericia, Denmark	100%
RelateIT A/S	Odense, Denmark	70%
RelateIT Holding A/S	Odense, Denmark	70%
RelateIT DMCC	Dubai, United Arabic Emirates	70%
XtensionIT ApS	Odense, Denmark	70%
Monjasa Inc	Connecticut, USA	100%
Monjasa DMCC	Dubai, United Arabic Emirates	100%
Monjasa Chartering DMCC	Dubai, United Arabic Emirates	100%
Monjasa Chartering II DMCC	Dubai, United Arabic Emirates	100%
Monjasa Chartering III DMCC	Dubai, United Arabic Emirates	100%
Montec Ship Management DMCC	Dubai, United Arabic Emirates	100%
Monjasa Marine LLC	Dubai, United Arabic Emirates	49%
Biamark (PTY) Ltd	Windhoek, Namibia	55%
Monjasa Pte Ltd	Singapore	100%
Monjasa S.A	Panama, Panama	100%
Monjasa MHQ S.A	Panama, Panama	100%
Monjasa PTY, S.A.	Panama, Panama	100%
Monjasa S.A. de C.V.	Mexico City, Mexico	100%
Monjasa Combustíveis Ltda	Rio de Janeiro, Brazil	100%
Monjasa C.I.S.A.S	Bogotá D.C., Colombia	100%
Monjasa LTD	Limassol, Cyprus	100%
Monjasa LTD	London, United Kingdom	100%
Monjasa LTD (Gibraltar)	Gibraltar	100%
Logistics Holding A/S	Fredericia, Denmark	100%
African Runner Shipping ApS	Fredericia, Denmark	100%
Monjasa Chartering ApS	Fredericia, Denmark	100%
Energizer Shipping ApS	Fredericia, Denmark	100%
Monjasa Nordics ApS	Fredericia, Denmark	100%
C-bed I ApS	Fredericia, Denmark	100%
C-bed Holding A/S	Fredericia, Denmark	100%
First Arctic ApS	Fredericia, Denmark	100%

Financial statements

Notes to the financial statements

12 Investments in associates	Group	
	2022	2021
	USD '000	USD '000
Cost at 1 January	42	42
Cost at 31 December	**42**	**42**
Impairment losses and amortisation at 1 January	42	42
Revaluations at 31 December	**42**	**42**
Carrying amount at 31 December	**0**	**0**

Name	Place of registered office	Ownership
Monjasa LDA	Angola	49%
Monjasa Angola LDA	Angola	49%
Monjasa (PTY) Ltd	Namibia	35%

Notes to the financial statements

13 Other fixed asset investments		Group
	Other in-vestments	Deposits
	USD '000	USD '000
Cost at 1 January	344	1,309
Net exchange adjustments	-18	-5
Additions for the year	0	1,130
Disposals for the year	-1	-190
Cost at 31 December	**325**	**2,244**
Carrying amount at 31 December	**325**	**2,244**

14 Prepayments

Prepayments consist of prepaid expenses concerning rent, chartering, insurance premiums, subscriptions, and interest.

15 Share capital

The share capital consists of 500,000 shares of a nominal value of DKK 1. No shares carry any special rights. There has not been any changes to this composition in the last 5 years.

16 Deferred tax for the year		Group		Parent company
	2022	2021	2022	2021
	USD '000	USD '000	USD '000	USD '000
Deferred tax at 1 January	2,351	4,360	0	27
Change during the year	204	-1,374	-572	4
Adjustment concerning previous years recognised in the income statement	0	-442	0	-32
Adjustment concerning previous years	-1,062	-193	300	1
Deferred tax at 31 December	**1,493**	**2,351**	**-272**	**0**

Deferred tax relates to temporary differences on tangible and intangible assets, financial instruments and tax losses carried forward.

Financial statements

Notes to the financial statements

17 Financing	Group		Parent company	
	2022	2021	2022	2021
	USD '000	USD '000	USD '000	USD '000
Credit institutions *				
Between 1 and 5 years	13,809	21,565	0	0
Long-term part	**13,809**	**21,565**	**0**	**0**
Credit institutions with credit lines	7,045	62,416	1,305	20,216
Other short-term debt to credit institutions within 1 year	4,962	3,520	0	0
Short-term part	**12,007**	**65,936**	**1,305**	**20,216**
Total credit institutions	**25,816**	**87,501**	**1,305**	**20,216**
Lease obligations				
Between 1 and 5 years	0	1,082	0	0
Long-term part	**0**	**1,082**	**0**	**0**
Within 1 year	0	0	0	0
Short-term part	**0**	**0**	**0**	**0**
Total lease obligations	**0**	**1,082**	**0**	**0**

* The remaining long term debt to credit institutions has been repaid on 22 February 2023.

Notes to the financial statements

18 Derivative financial instruments			Group
		2022	2021
	Net volume	Net value	Net value
	MTS'000	USD '000	USD '000
Derivaties used for fair value hedging of inventory			
Derivatives maturing within 0-3 months	-31	-651	338
Derivaties used for fair value hedging of firm commitments			
Derivatives maturing within 0-3 months	26	233	420
Derivatives maturing within 3-12 months	17	-45	1,112
	12	**-464**	**1,870**

The Group has no unhedged firm commitments.

Financial statements

Notes to the financial statements

19 Rental and lease agreements, contingent liabilities, security and other financial information

GROUP

Rental agreements and leases

The Group has assumed operating lease obligations which at 31 December 2022 amounts to USD 21.1m (2021: USD 13.8m) in the period of non-terminability of up to 66 months (2021: 84 months).

The Group has assumed charter hire obligations which at 31 December 2022 amounts to USD 21.4m (2021: USD 16.1m).

Security

The company and its subsidiaries have issued guarantees towards financial institutions in respect of loans which amounts to USD 26m at the balance sheet date (2021: USD 84m).

Collateral pledged to the financial institutions include receivables, inventories and other assets to the extent such assets are subject to the floating charges in Monjasa A/S or Monjasa Inc.

Other financial information

The Group has an ongoing tax case with the Danish tax authorities. The definite ruling from the supreme court is expected in 2024.

PARENT COMPANY

Joint tax

As from 30 August 2017 Endeavour Invest ApS is the management company for the Danish jointly taxed companies. The management company has unlimited, joint and several liabilities together with the other jointly taxed companies for all corporate income taxes arising under the joint taxation scheme. Corporate income tax payable for the Danish jointly taxed companies amounted to USD 3.4m at 31 December 2022 (2021: USD 0.6m).

Notes to the financial statements

20 Fee to auditors appointed at the general meeting	Group	
	2022	2021
	USD '000	USD '000
Audit fee	443	414
Tax advisory services	126	314
Other non-audit services	37	106
	606	**834**

21 Related parties

Related parties are defined as parties with control or significant influence, including Group companies. All internal transactions is performed in accordance with the arms lengths principle as stipulated by the OECD.

The Company is included in the Consolidated Financial Statement of the immediate Parent Company, Endeavour Invest ApS, Fredericia, Denmark.

Other related parties

Flemming Edvard Ipsen	Chairman of the Board of Directors
Liselotte Grønborg Lundberg	Member of the Board of Directors
Peder Gellert Pedersen	Member of the Board of Directors
Anders Østergaard	Chief Executive Officer and member of the Board of Directors
Rasmus Ravnholt Knudsen	Chief Financial Officer

22 Events after the balance sheet date

As of March 2023, Management is not aware of any material changes in the business, except for the repayment of the remaining long term debt as of 22 February 2023.

Management acknowledges increased uncertainty related to the geopolitical situation arising from the Russian/Ukrainian war, continued global trade volumes, flows and supplies, which may affect our activity level as the situation develops. Furthermore, we have not seen any material negative development in our customers' ability to pay or changes to our financing.

Financial statements

Notes to the financial statements

23 Cash flow statement adjustments		Group
	2022	2021
	USD '000	USD '000
Financial income	-4,568	-1,873
Financial expenses	8,494	5,298
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	10,074	9,251
Gain/loss on sales of fixed assets	-1,288	68
Tax on profit/(loss) for the year	11,330	3,568
Total adjustments	**24,043**	**16,312**

24 Cash flow statement - change in working capital		Group
	2022	2021
	USD '000	USD '000
Change in inventories	-48,626	-1,406
Change in receivables	-135,378	-125,706
Change in trade payables, etc.	85,198	107,447
Total change in working capital	**-98,806**	**-19,665**

Accounting Policies

Basis of preparation

The Annual Report of Monjasa Holding A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

Changes in accounting policies

The accounting policies remain unchanged for the Consolidated financial statements compared to 2021.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost, less any repayments and with the addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

USD is used as the measurement currency. All other currencies are regarded as foreign currencies.

(DKK/USD exchange rates – 2022 7.08 - 2021 6.29)

Basis of consolidation

The Consolidated Financial Statements comprise the parent company Monjasa Holding A/S and subsidiaries in which the parent company directly or indirectly holds more than 50% of the votes or in which the parent company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The parent company's investments in the consolidated subsidiaries are set off against the parent company's share of the net asset value of subsidiaries stated at the time of consolidation.

On acquisition of subsidiaries, the difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities have been adjusted to fair value (the purchase method). This includes allowing for any restructuring provisions determined in relation to the enterprise acquired. Any remaining positive differences are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straight-line basis over its estimated useful life, but not exceeding 20 years. Any remaining negative differences are recognised in deferred income in the balance sheet as negative goodwill.

Amounts attributable to expected losses or expenses are recognised as income in the income statement as the affairs and conditions to which the amounts relate materialise. Negative goodwill not related to expected losses or expenses is recognised at an amount equal to the fair value of non-monetary assets in the income statement over the average useful life of the non-monetary assets.

Positive and negative differences from enterprises acquired may, due to changes to the recognition and measurement of net assets, be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Amortisation of goodwill is allocated in the Consolidated Financial Statements to the operations to which goodwill is related. Amortisation of goodwill is recognised in "Amortisation, depreciation, and impairment losses".

Accounting Policies

Non-controlling interest in the balance sheet
On statement of Group results and Group equity, the shares of results and equity of subsidiaries attributable to minority interests are recognised as separate items in the income statement and the balance sheet. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries. On subsequent changes to minority interests, the changed share is included in results as of the date of change.

Leases
Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments, computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group. The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Derivative Financial Instruments
On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset, a recognised liability or a firm commitment are recorded in the income statement together with the changes in the value of the hedged items. Firm commitments are confirmed sales contracts for delivery of oil at a predefined volume, port, period and price.

Translation policies
Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables, and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement. Please see the section on derivative financial instruments.

Income statements of foreign subsidiaries and associates that are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange rate adjustments arising at the translation of the opening equity and exchange rate adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Revenue
Revenue from oil activities, chartering and services is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined and payment has been received or may with reasonable certainty be expected to be received.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Cost of sales
Expenses for cost of sales comprise the raw materials and consumables consumed to achieve revenue for the year.

Other operating income and expenses
Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprises, including gains and losses on the sale of intangible assets and property, plant and equipment.

Other external expenses
Other external expenses comprise expenses for sale, marketing, administration, premises, bad debts, etc.

Staff expenses
Staff expenses comprise wages and salaries as well as payroll expenses.

Depreciation, amortisation and impairment of property, plant and equipment and intangible assets

Depreciation, amortisation and impairment losses
Depreciation, amortisation, and impairment losses comprise amortisation, depreciation, and impairment of intangible assets, property, plant, and equipment.

Accounting Policies

Income from investments in subsidiaries
The items "Income from investments in subsidiaries after tax" in the income statement include the proportionate share of the profit for the year less goodwill amortisation.

Financial income and expenses
Financial income and expenses comprise interest, realised and unrealised exchange adjustments, as well as extra payments and repayment under the on-account taxation scheme, and settlements of and unrealised fair value adjustments from derivatives, hedge oil inventories and firm commitments.

Tax on profit/loss for the year
Tax for the year consist of current tax for the year and adjustment of deferred tax for the year. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

The tax effect of the joint taxation with the subsidiary is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Balance sheet

Intangible assets goodwill
Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience with the individual business areas.

Software and licenses
Software is measured at cost, less any accumulated amortisation and impairment losses or at a lower recoverable amount.

Software is amortised over the remaining software period or a shorter useful life.

Property, plant and equipment
Building, ships and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

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:

Land and building	20 years
Ships	2-17 years
Other fixtures and fittings, tools and equipment	3-8 years
Leasehold improvements.	4-5 years

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

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount

Impairment of fixed assets
The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount and the asset is written down to its lower recoverable amount.

Investments in subsidiaries
Investments in subsidiaries are recognised and measured under the equity method.

The items "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the parent company and adjusted for other equity movements in subsidiaries.

Accounting Policies

Subsidiaries with a negative net asset value are recognised at USD 0. Any legal or constructive obligation of the parent company to cover the negative balance of the enterprise is recognised in provisions.

Other investments
Other investments are measured at cost price.

Deposits
Deposits are recognised at cost price.

Inventories
Inventories are measured at the lower of cost under the weighted average method and net realisable value. The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost price of inventories whose fair value is effectively hedged from derivative financial instruments is adjusted for the change in fair value attributable to the hedged risk.

The cost of goods for resale, raw materials and consumables equals landed cost.

Prepayments
Prepayments are measured at cost and comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Receivables
Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Dividend
Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Current tax and deferred tax assets and liabilities
Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised.

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year, adjusted for tax on taxable incomes for prior years.

Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Provisions
Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation. Provisions include, amongst others, the expected loss risk on pending court cases.

Financial debts
Fixed-interest loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts and payables
Other debts and payables are measured at amortised cost, substantially corresponding to nominal value.

Cash flow statement
The cash flow statement shows the Group's cash flows for the year, broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

No cash flow statement has been prepared for the parent company, as the parent company cash flows are included in the Consolidated Cash Flow Statement.

Cash flows from operating activities
Cash flows from operating activities are calculated as the net profit/loss for the year, adjusted for changes in working capital and non-cash operating items, such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets, less short-term debt, excluding items included in cash and cash equivalents.

Cash flows from investing activities
Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Accounting Policies

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents in the cash flow statement

Cash and cash equivalents comprise "Cash at bank and in hand". The cash flow statement cannot be immediately derived from the published financial records.

Explanation of financial ratios

$$\textbf{Gross margin} = \frac{\text{Gross profit x 100}}{\text{Revenue}}$$

$$\textbf{Profit margin} = \frac{\text{Profit before financials x 100}}{\text{Revenue}}$$

$$\textbf{Return on assets} = \frac{\text{Profit before financials x 100}}{\text{Total assets}}$$

$$\textbf{Solvency ratio} = \frac{\text{Equity at year end x 100}}{\text{Total assets}}$$

$$\textbf{Return on equity} = \frac{\text{Net profit for the year x 100}}{\text{Average equity}}$$

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Management's statement

The Board of Directors and the Executive Board have today considered and approved the annual report of Monjasa Holding A/S for the financial year 1 January 2022 – 31 December 2022.

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

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31 December 2022 and of the results of the Group's and Parent's operations and the Group's cash flows for the financial year 1 January 2022 – 31 December 2022.

Furthermore, in our opinion, Management's review contains a fair presentation of the development in the operations and financial circumstances of the result for the year and of the overall financial position of the Group and the Parent, as well as a true and fair description of the most significant risks and elements of uncertainty faced by the Group and the Parent.

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

Copenhagen, 16 May 2023

Executive Management

Anders Østergaard

Rasmus Ravnholdt Knudsen

Board of Directors

Flemming Ipsen

Anders Østergaard

Peder Gellert Pedersen

Lotte Grønborg Lundberg

Independent auditor's report

To the shareholder of Monjasa Holding A/S

Opinion
We have audited the consolidated financial statements and the parent financial statements of Monjasa Holding A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 financial statements
Management is responsible for the preparation of consolidated financial statements and parent 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditor's report

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 no 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 Entity'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 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 Entity'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 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 the management commentary
Management is responsible for the management commentary

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 16 May 2023

Deloitte
Statsautoriseret Revisionspartnerselskab
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