



RSM Danmark

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PENINSULA PETROLEUM ApS

Tuborgvej 5, 2900 Hellerup

Company reg. no. 36 45 41 64

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 24 August 2022.

John Arthur Bassadone
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the managing director has presented the annual report of PENINSULA PETROLEUM ApS for the financial year 1 January - 31 December 2021.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Hellerup, 24 August 2022

Managing Director

John Arthur Bassadone

Independent auditor's report

To the Shareholders of PENINSULA PETROLEUM ApS

Auditor's report on the financial statements

Opinion

We have audited the financial statements of PENINSULA PETROLEUM ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the results of the company's activities for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism 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 the 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.
- 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the Management's Review

Management is responsible for the Management's Review.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

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

Based on the work we have performed, we believe that Management's Review is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the Management's Review.

Reporting on other legal and regulatory requirements

Non-compliance with Danish Financial Statements Act

In violation of the Danish Financial Statements Act, the company has not prepared the Annual Report before the deadline. Management may incur liability in this regard.

Copenhagen V, 24 August 2022

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Martin Enderberg Lassen
State Authorised Public Accountant
mne40044

Company information

The company	PENINSULA PETROLEUM ApS Tuborgvej 5 2900 Hellerup Company reg. no. 36 45 41 64 Financial year: 1 January - 31 December
Managing Director	John Arthur Bassadone
Auditors	RSM Danmark Statsautoriseret Revisionspartnerselskab Ved Vesterport 6, 5. sal 1612 København V
Parent company	Peninsula Petroleum Limited

Management's review

The principal activities of the company

The company's core business is trade and bunkering of all liquid fuels, oils, chemicals, petroleum products as well as transport and storage.

Development in activities and financial matters

The gross profit for the year totals DKK 4.504.312 against DKK 6.970.823 last year. Income from ordinary activities after tax totals DKK 158.694 against DKK 277.979 last year.

Events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report for PENINSULA PETROLEUM ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Accounting policies

Statement of financial position

Property, plant, and equipment

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Accounting policies

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Gross profit	4.504.312	6.970.823
1 Staff costs	-4.368.044	-6.576.842
Depreciation and impairment of non-current assets	-2.592	0
Operating profit	133.676	393.981
Other financial income	104.790	0
Other financial costs	-10.000	-7.425
Pre-tax net profit or loss	228.466	386.556
Tax on net profit or loss for the year	-69.772	-108.577
Net profit or loss for the year	158.694	277.979
Proposed appropriation of net profit:		
Transferred to retained earnings	158.694	277.979
Total allocations and transfers	158.694	277.979

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Assets		
Non-current assets		
Other fixtures and fittings, tools and equipment	24.615	0
Total property, plant, and equipment	24.615	0
Deposits	101.757	150.124
Total investments	101.757	150.124
Total non-current assets	126.372	150.124
Current assets		
Trade receivables	66.970	43.300
Receivables from group enterprises	2.869.677	2.329.653
Other receivables	84.247	0
Prepayments and accrued income	116.240	176.869
Total receivables	3.137.134	2.549.822
Total current assets	3.137.134	2.549.822
Total assets	3.263.506	2.699.946

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Equity		
Contributed capital	52.088	52.088
Retained earnings	1.436.865	1.278.171
Total equity	<u>1.488.953</u>	<u>1.330.259</u>
Liabilities other than provisions		
Trade payables	46.224	50.000
Payables to group enterprises	571.236	0
Income tax payable	69.772	14.397
Other payables	1.087.321	1.305.290
Total short term liabilities other than provisions	<u>1.774.553</u>	<u>1.369.687</u>
Total liabilities other than provisions	<u>1.774.553</u>	<u>1.369.687</u>
Total equity and liabilities	<u>3.263.506</u>	<u>2.699.946</u>

2 Contingencies

3 Related parties

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	52.088	1.000.192	1.052.280
Retained earnings for the year	<u>0</u>	<u>277.979</u>	<u>277.979</u>
Equity 1 January 2021	52.088	1.278.171	1.330.259
Retained earnings for the year	<u>0</u>	<u>158.694</u>	<u>158.694</u>
	<u>52.088</u>	<u>1.436.865</u>	<u>1.488.953</u>

Notes

All amounts in DKK.

	<u>2021</u>	<u>2020</u>
1. Staff costs		
Salaries and wages	4.185.768	6.305.794
Pension costs	158.653	251.680
Other costs for social security	<u>23.623</u>	<u>19.368</u>
	<u>4.368.044</u>	<u>6.576.842</u>
Average number of employees	<u>5</u>	<u>5</u>

2. Contingencies

Contingent liabilities

The company has an leases agreements with a contingent liability amounting to kDKK 108.

3. Related parties

Consolidated financial statements

None of the company's parent companies present consolidated financial statements Peninsula Petroleum Limited.