


Addinol Lube Oil Danmark ApS
Måde Industrivej 21, 6705 Esbjerg Ø

Annual report

2019/20

Company reg. no. 37 45 82 79

The annual report was submitted and approved by the general meeting on the 17 November 2020.



Svend Eskildsen
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British 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 report

Today, the executive board has presented the annual report of Addinol Lube Oil Danmark ApS for the financial year 2019/20.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 30 September 2020 and of the company's results of activities in the financial year 1 October 2019 - 30 September 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Esbjerg Ø, 26 October 2020

Executive board


Svend Eskildsen


Georg Ferdinand Wildegger

Independent auditor's report

To the shareholders of Addinol Lube Oil Danmark ApS

Opinion

We have audited the financial statements of Addinol Lube Oil Danmark ApS for the financial year 1 October 2019 - 30 September 2020, which comprise accounting policies, income statement, statement of financial position 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 30 September 2020 and of the results of the company's activities for the financial year 1 October 2019 - 30 September 2020 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 international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 commentary

Management is responsible for the management commentary.

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 commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary 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 commentary.

Esbjerg, 26 October 2020

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Alexander Rasmussen

State Authorised Public Accountant
mne24721

Company information

The company	Addinol Lube Oil Danmark ApS Måde Industrivej 21 6705 Esbjerg Ø
	Company reg. no. 37 45 82 79
	Financial year: 1 October - 30 September 5th financial year
Executive board	Svend Eskildsen Georg Ferdinand Wildegger
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Edison Park 4 6715 Esbjerg N

Management commentary

The principal activities of the company

The company's primary activity is gross sale of solid, fluid and gaseous lubricants, fuel and related goods.

Development in activities and financial matters

The gross profit for the year totals DKK 430.480 against DKK 453.807 last year. Income or loss from ordinary activities after tax totals DKK 1.429 against DKK 16.887 last year.

Accounting policies

The annual report for Addinol Lube Oil Danmark 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.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises 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 tangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Interest and other costs concerning loans to finance the production of intangible assets and property, plant, and equipment, and relating to production periods are not recognised in the cost of non-current assets.

Accounting policies

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.

Statement of financial position

Property, plant, and equipment

Equipment is 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.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

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	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.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible assets as well as equity investments in subsidiaries and associates are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation, respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Accounting policies

The recoverable amount is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow derived from the use of the asset or group of assets.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Deposits

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

Inventories

Inventories are measured at cost. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium. The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Accounting policies

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 October - 30 September

All amounts in DKK.

<u>Note</u>	<u>2019/20</u>	<u>2018/19</u>
Gross profit	430.480	453.807
2 Staff costs	-408.982	-384.294
Depreciation and impairment of property, land, and equipment	-12.523	-11.537
Operating profit	8.975	57.976
Other financial income	0	616
3 Other financial costs	-7.546	-20.705
Pre-tax net profit or loss	1.429	37.887
Tax on net profit or loss for the year	0	-21.000
Net profit or loss for the year	1.429	16.887
Proposed appropriation of net profit:		
Transferred to retained earnings	1.429	16.887
Total allocations and transfers	1.429	16.887

Statement of financial position at 30 September

All amounts in DKK.

Assets		
<u>Note</u>	<u>2020</u>	<u>2019</u>
Non-current assets		
4 Other fixtures and fittings, tools and equipment	42.692	37.176
Total property, plant, and equipment	42.692	37.176
Deposits	0	21.000
Total investments	0	21.000
Total non-current assets	42.692	58.176
Current assets		
Manufactured goods and goods for resale	679.943	449.315
Total inventories	679.943	449.315
Trade receivables	315.937	419.437
Deferred tax assets	43.000	43.000
Total receivables	358.937	462.437
Cash on hand and demand deposits	281.584	0
Total current assets	1.320.464	911.752
Total assets	1.363.156	969.928

Statement of financial position at 30 September

All amounts in DKK.

Equity and liabilities		<u>2020</u>	<u>2019</u>
<u>Note</u>			
Equity			
5	Contributed capital	100.000	100.000
6	Share premium	0	272.446
7	Retained earnings	96.725	-177.150
	Total equity	<u>196.725</u>	<u>195.296</u>
 Liabilities other than provisions			
	Bank loans	0	346.180
	Trade payables	291.346	274.520
	Other payables	875.085	153.932
	Total short term liabilities other than provisions	<u>1.166.431</u>	<u>774.632</u>
	Total liabilities other than provisions	<u>1.166.431</u>	<u>774.632</u>
	Total equity and liabilities	<u>1.363.156</u>	<u>969.928</u>

8 Contingencies

Notes

All amounts in DKK.

	<u>2019/20</u>	<u>2018/19</u>
1. Change in inventories of finished goods and work in progress		
Manufactured finished goods and trade goods, opening balance	449.315	353.849
Manufactured finished goods and trade goods, closing balance	<u>-679.943</u>	<u>-449.315</u>
	<u>-230.628</u>	<u>-95.466</u>
2. Staff costs		
Salaries and wages	406.361	381.643
Other costs for social security	<u>2.621</u>	<u>2.651</u>
	<u>408.982</u>	<u>384.294</u>
Average number of employees	<u>1</u>	<u>1</u>
3. Other financial costs		
Other financial costs	<u>7.546</u>	<u>20.705</u>
	<u>7.546</u>	<u>20.705</u>
4. Other fixtures and fittings, tools and equipment		
Cost 1 October 2019	58.106	53.390
Additions during the year	<u>18.039</u>	<u>4.716</u>
Cost 30 September 2020	<u>76.145</u>	<u>58.106</u>
Depreciation and writedown 1 October 2019	-20.930	-9.393
Depreciation for the year	<u>-12.523</u>	<u>-11.537</u>
Depreciation and writedown 30 September 2020	<u>-33.453</u>	<u>-20.930</u>
Carrying amount, 30 September 2020	<u>42.692</u>	<u>37.176</u>
5. Contributed capital		
Contributed capital 1 October 2019	<u>100.000</u>	<u>100.000</u>
	<u>100.000</u>	<u>100.000</u>

Notes

All amounts in DKK.

	<u>30/9 2020</u>	<u>30/9 2019</u>
6. Share premium		
Share premium 1 October 2019	272.446	272.446
Transferred to results brought forward	<u>-272.446</u>	<u>0</u>
	<u>0</u>	<u>272.446</u>
7. Retained earnings		
Retained earnings 1 October 2019	-177.150	-194.037
Profit or loss for the year brought forward	1.429	16.887
Transferred from share premium account	<u>272.446</u>	<u>0</u>
	<u>96.725</u>	<u>-177.150</u>

8. Contingencies

Contingent liabilities

Lease liabilities

The company has a lease on office and inventory space with an annual payment of 112.500 DKK.