

# NORbunker A/S

Bådehavnsvej 13, 1. th., 9000 Aalborg

Company reg. no. 38 24 32 92

## Annual report

**1 January - 31 December 2021**

The annual report was submitted and approved by the general meeting on the 15 February 2022.

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Jesper Riis Christiansen  
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

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Today, the Board of Directors and the Executive Board have approved the annual report of NORbunker A/S for the financial year 1 January - 31 December 2021.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

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

Aalborg, 15 February 2022

### Executive board

Jesper Riis Christiansen

Peter Højer

### Board of directors

Lars Ørsnes

Claus Riis Christiansen

Jesper Riis Christiansen

## Independent auditor's report

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### To the shareholders of NORbunker A/S

#### Opinion

We have audited the financial statements of NORbunker A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, statement of cash flows, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations and cash flows 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 (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (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 Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent auditor's report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

## Independent auditor's report

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In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Aalborg, 15 February 2022

### **Redmark**

Godkendt Revisionspartnerselskab  
Company reg. no. 29 44 27 89

### **Johny Jensen**

State Authorised Public Accountant  
mne32798

## Company information

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<b>The company</b>	NORbunker A/S Bådehavnsvej 13, 1. th. 9000 Aalborg
	Company reg. no. 38 24 32 92 Established: 6 December 2016 Domicile: Financial year: 1 January - 31 December
<b>Board of directors</b>	Lars Ørsnes Claus Riis Christiansen Jesper Riis Christiansen
<b>Executive board</b>	Jesper Riis Christiansen Peter Højer
<b>Auditors</b>	Redmark Godkendt Revisionspartnerselskab Hasseris Bymidte 6 9000 Aalborg
<b>Bankers</b>	Jyske Bank A/S

## Financial highlights

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DKK in thousands.	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Income statement:</b>				
Gross profit	7.926	8.046	6.262	3.986
Profit from operating activities	5.488	5.168	4.201	2.756
Net financials	215	-412	-21	183
Net profit or loss for the year	4.429	3.689	3.233	2.275
<b>Statement of financial position:</b>				
Balance sheet total	58.154	48.344	54.766	39.724
Equity	15.358	10.930	7.238	4.453
<b>Cash flows:</b>				
Operating activities	-7.141	4.422	598	0
Financing activities	0	-86	-362	0
Total cash flows	-7.141	4.336	236	0
<b>Employees:</b>				
Average number of full-time employees	3	4	4	2
<b>Key figures in %:</b>				
Solvency ratio	26,4	22,6	13,2	11,2
Return on equity	33,7	40,6	55,3	68,6

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

**Solvency ratio**  $\frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$

**Return on equity**  $\frac{\text{Net profit or loss for the year} \times 100}{\text{Average equity}}$



## Management's review

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### **The principal activities of the company**

The principal activities comprise trade in fuel and similar goods primarily within the maritime sector.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 7.926.000 against DKK 8.046.000 last year. Income from ordinary activities after tax totals DKK 4.429.000 against DKK 3.689.000 last year. Management considers the net profit for the year satisfactory.

### **Special risks**

#### *Operating risks*

The company's trading activity is widely spread across the various shipping segments and no single customer or supplier has a significant share of the company's sales or purchases.

The company's trading activity is back-to-back trading, where sales and purchases take place simultaneously and without open positions. The company is not very price sensitive, as it is basically possible to pass on price fluctuations in purchase prices to customers at the same time as competitors are subject to the same sensitivity.

#### *Foreign currency risks*

The company is to a wide extent doing business in Euro and in Dollar and the company's receivables and payables are therefore subject to a natural foreign exchange risk. The company's purchases and sales are often made the same day and the exchange risk can therefore be related to differences in terms of payments. Foreign exchange risks relating to trade receivables and the trade payables are hedged by derivatives in a very limited basis i.e. when terms of payments are extended.

### **Environmental issues**

The company is environmentally conscious and works continuously to reduce the environmental impact of the company's operations. However as the company is only an intermediary in commercial transactions there are limited effects on the environment that the company can do. The company is constantly aware of conditions that can reduce their environmental impact.

### **Expected developments**

The company expects a positive development in activity in the following year and expects a larger profit than the current year.

## Income statement 1 January - 31 December

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Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Gross profit</b>	<b>7.926.055</b>	<b>8.046</b>
1 Staff costs	-2.437.981	-2.878
<b>Operating profit</b>	<b>5.488.074</b>	<b>5.168</b>
Other financial income	3.458.404	3.794
Other financial expenses	-3.243.116	-4.206
<b>Pre-tax net profit or loss</b>	<b>5.703.362</b>	<b>4.756</b>
Tax on net profit or loss for the year	-1.274.768	-1.067
<b>2 Net profit or loss for the year</b>	<b>4.428.594</b>	<b>3.689</b>

## Balance sheet at 31 December

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Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

<b>Assets</b>		<u>2021</u>	<u>2020</u>
<u>Note</u>			
<b>Current assets</b>			
	Trade receivables	48.790.849	32.041
	Income tax receivables	65.882	0
	Other receivables	117.151	60
3	Receivables from owners and management	4.919.429	4.799
4	Prepayments	<u>0</u>	<u>43</u>
	Total receivables	<u>53.893.311</u>	<u>36.943</u>
	Cash and cash equivalents	<u>4.261.145</u>	<u>11.401</u>
	<b>Total current assets</b>	<b><u>58.154.456</u></b>	<b><u>48.344</u></b>
	<b>Total assets</b>	<b><u>58.154.456</u></b>	<b><u>48.344</u></b>

## Balance sheet at 31 December

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Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Contributed capital	1.500.000	1.500
Reserve for outstanding loans and collateral	4.919.429	4.800
Retained earnings	8.938.708	4.630
<b>Total equity</b>	<b>15.358.137</b>	<b>10.930</b>
<b>Provisions</b>		
5 Provisions for deferred tax	0	9
<b>Total provisions</b>	<b>0</b>	<b>9</b>
<b>Long term liabilities other than provisions</b>		
Trade payables	42.456.871	36.828
Income tax payable	0	51
Other payables	339.448	526
Total short term liabilities other than provisions	42.796.319	37.405
<b>Total liabilities other than provisions</b>	<b>42.796.319</b>	<b>37.405</b>
<b>Total equity and liabilities</b>	<b>58.154.456</b>	<b>48.344</b>
<b>6 Charges and security</b>		
<b>7 Contingencies</b>		
<b>8 Related parties</b>		

## Statement of changes in equity

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All amounts in DKK.

	<b>Contributed capital</b>	<b>Reserve for outstanding loans and collateral</b>	<b>Retained earnings</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Equity 1 January 2021	1.500.000	4.799.443	4.630.100	10.929.543
Profit or loss for the year brought forward	0	0	4.308.608	4.308.608
Reserve for outstanding loan to shareholders	0	119.986	0	119.986
	<u><b>1.500.000</b></u>	<u><b>4.919.429</b></u>	<u><b>8.938.708</b></u>	<u><b>15.358.137</b></u>

## Statement of cash flows 1 January - 31 December

Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Net profit or loss for the year	4.428.594	3.689
9 Adjustments	1.059.480	1.481
10 Change in working capital	-11.443.481	1.519
Cash flows from operating activities before net financials	-5.955.407	6.689
Interest received, etc.	3.458.397	3.792
Interest paid, etc.	-3.243.116	-4.205
Cash flows from ordinary activities	-5.740.126	6.276
Income tax paid	-1.400.509	-1.854
<b>Cash flows from operating activities</b>	<b>-7.140.635</b>	<b>4.422</b>
Repayments of long-term payables	0	-86
<b>Cash flows from investment activities</b>	<b>0</b>	<b>-86</b>
<b>Change in cash and cash equivalents</b>	<b>-7.140.635</b>	<b>4.336</b>
Cash and cash equivalents at 1 January 2021	11.401.780	7.065
<b>Cash and cash equivalents at 31 December 2021</b>	<b>4.261.145</b>	<b>11.401</b>
<b>Cash and cash equivalents</b>		
Cash and cash equivalents	4.261.145	11.401
<b>Cash and cash equivalents at 31 December 2021</b>	<b>4.261.145</b>	<b>11.401</b>

## Notes

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Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

	<u>2021</u>	<u>2020</u>
<b>1. Staff costs</b>		
Salaries and wages	2.060.638	2.233
Pension costs	366.067	631
Other costs for social security	11.276	14
	<u><b>2.437.981</b></u>	<u><b>2.878</b></u>
 Executive board	 <u>1.804.773</u>	 <u>1.998</u>
 Average number of employees	 <u>3</u>	 <u>4</u>
 <b>2. Proposed appropriation of net profit</b>		
Transferred to retained earnings	4.308.608	3.689
Reserve for outstanding loans and collateral	119.986	0
<b>Total allocations and transfers</b>	<u><b>4.428.594</b></u>	<u><b>3.689</b></u>

### 3. Receivables from owners and management

Category	Interest rate	Remaining term	Amounts repaid during the financial year DKK	Total receivables at 31 December 2021 DKK
Capital owners	2,50%	2 år	0	4.919.429

Receivables from owners and management is legal self-financing in accordance with the Companies Act, §110, section 2 and 3.

### 4. Prepayments

Prepayments consists of prepaid leases.

## Notes

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Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

	<u>31/12 2021</u>	<u>31/12 2020</u>
<b>5. Provisions for deferred tax</b>		
Provisions for deferred tax 1 January 2021	9.350	9
Deferred tax of the results for the year	<u>-9.350</u>	<u>0</u>
	<u><b>0</b></u>	<u><b>9</b></u>

## 6. Charges and security

For bank commitments, the company has provided security in company assets representing a nominal value of thousand DKK 4,200. The bank debt amounts to thousand DKK 0 as of 31 December 2021. This security comprises the assets below, stating the carrying amounts:

	<u>DKK in thousands</u>
Inventories	0
Trade receivables	48.845
Intellectual property rights	0
Fixed assets	0

## 7. Contingencies

### Contingent liabilities

#### Lease liabilities

The company has entered into operational leases with an average annual lease payment of thousand DKK 126. The leases have 4-36 months to maturity and total outstanding lease payments of thousand DKK 275.

#### Rent obligations:

The company has entered into a lease contract that can be terminated to vacating with 8 month notice. The total rent for the period is thousand DKK 114.

## 8. Related parties

### Transactions

Transactions with related parties have been entered on market terms and is therefore omitted, cf. the Danish Financial Statements Act §98c, subsection 7.



## Notes

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Amounts concerning 2021: DKK.

Amounts concerning 2020: DKK thousand.

	<u>2021</u>	<u>2020</u>
<b>9. Adjustments</b>		
Other financial income	-3.458.404	-3.794
Other financial expenses	3.243.116	4.206
Tax on net profit or loss for the year	1.274.768	1.067
Other adjustments	<u>0</u>	<u>2</u>
	<b><u>1.059.480</u></b>	<b><u>1.481</u></b>
<b>10. Change in working capital</b>		
Change in receivables	-16.884.872	10.758
Change in trade payables and other payables	<u>5.441.391</u>	<u>-9.239</u>
	<b><u>-11.443.481</u></b>	<b><u>1.519</u></b>

## Accounting policies

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The annual report for NORbunker A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

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

### Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

### Derivatives

At their initial recognition, derivatives are recognised at cost in the statement of financial position. Hereafter, they measured at fair value. Positive and negative fair values of derivatives are recognised under other receivables and payables, respectively.

## Accounting policies

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Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging the fair value of a recognised asset or a recognised liability are recognised in the income statement together with changes in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derived financial instruments classified as hedging of future cash flows are recognised in other receivables or other payables, and in equity.

If the future transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or the liability, respectively. If the future transaction results in income or costs, amounts recognised in equity on a continuing basis are transferred to the income statement for the period in which the hedged item affected the income statement.

For derived financial statements that are no longer recognised as hedging instruments, changes in fair value are recognised in the income statement on a current basis.

## Income statement

### Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

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 expenses comprise expenses 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.

### 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, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

## Accounting policies

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### **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

### **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**

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

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand.

### **Equity**

#### **Reserve for outstanding loans and collateral**

The reserve for outstanding loans and collateral comprises amounts corresponding to loans or collateral used for the establishment of legal self-financing.

An amount corresponding to the loan or collateral is reclassified from "Retained earnings" to "Reserve for outstanding loans and collateral".

#### **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.

## Accounting policies

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Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### **Liabilities other than provisions**

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

### **Statement of cash flows**

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

### **Cash flows from operating activities**

Cash flows from operating activities are calculated as the company's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".

### **Cash flows from investment activities**

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

### **Cash flows from financing activities**

Cash flows from financing activities include changes in the size or the composition of the company's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand.