

Dania Energy Supply ApS

Høffdingsvej 34, 2500 Valby

CVR no. 38 64 05 34

Annual report 2019/20

Approved at the Company's annual general meeting on 13 July 2020

Chairman:

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Allan Runge Frost





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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Dania Energy Supply ApS for the financial year 1 May 2019 - 30 April 2020.

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

In my opinion, the financial statements give a true and fair view of the financial position of the Company at 30 April 2020 and of the results of the Company's operations for the financial year 1 May 2019 - 30 April 2020.

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

I recommend that the annual report be approved at the annual general meeting.

Valby, 13 July 2020
Executive Board:

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Allan Runge Frost

Independent auditor's report

To the shareholders of Dania Energy Supply ApS

Opinion

We have audited the financial statements of Dania Energy Supply ApS for the financial year 1 May 2019 - 30 April 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 April 2020 and of the results of the Company's operations for the financial year 1 May 2019 - 30 April 2020 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 as to 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 the 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 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.

Independent auditor's report

- ▶ 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 note 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 the Management's review

Management is responsible for the Management's review.

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

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Kolding, 13 July 2020
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Michael Vakker Maass
State Authorised Public Accountant
mne32772

Jonas Kirk Kristiansen
State Authorised Public Accountant
mne35475

Management's review

Company details

Name	Dania Energy Supply ApS
Address, Postal code, City	Høffdingsvej 34, 2500 Valby
CVR no.	38 64 05 34
Established	1 May 2017
Registered office	København
Financial year	1 May 2019 - 30 April 2020
Executive Board	Allan Runge Frost
Auditors	EY Godkendt Revisionspartnerselskab Kolding Åpark 1, 3. sal, 6000 Kolding, Denmark

Management commentary

Business review

The Company's objective is to do direct and indirect trading of oil and other related products.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The Company's result for 2020/21 is expected to be at the same level as of 2019/20.

Financial statements 1 May 2019 - 30 April 2020

Income statement

Note	DKK	2019/20	2018/19
	Gross profit	17,237,196	6,226,414
2	Staff costs	-1,766,473	-1,088,827
	Profit before net financials	15,470,723	5,137,587
	Financial income	684,760	276,138
3	Financial expenses	-517,422	-53,742
	Profit before tax	15,638,061	5,359,983
	Tax for the year	-3,445,571	-1,182,267
	Profit for the year	12,192,490	4,177,716
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	11,111,111	3,500,000
	Retained earnings	1,081,379	677,716
		12,192,490	4,177,716

Financial statements 1 May 2019 - 30 April 2020

Balance sheet

Note	DKK	<u>2019/20</u>	<u>2018/19</u>
	ASSETS		
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	2,073,922	0
	Prepayments for goods	2,955,306	0
		<u>5,029,228</u>	<u>0</u>
	Receivables		
	Trade receivables	695,403	481,503
	Receivables from group enterprises	6,126,182	314,768
	Other receivables	34,667	15,129
		<u>6,856,252</u>	<u>811,400</u>
	Cash	<u>8,599,180</u>	<u>5,735,983</u>
	Total non-fixed assets	<u>20,484,660</u>	<u>6,547,383</u>
	TOTAL ASSETS	<u><u>20,484,660</u></u>	<u><u>6,547,383</u></u>

Financial statements 1 May 2019 - 30 April 2020

Balance sheet

Note	DKK	<u>2019/20</u>	<u>2018/19</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	50,000	50,000
	Retained earnings	2,816,812	1,735,433
	Dividend proposed	11,111,111	3,500,000
	Total equity	<u>13,977,923</u>	<u>5,285,433</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	2,957,187	0
	Corporation tax payable	3,445,571	1,182,267
	Other payables	103,979	79,683
		<u>6,506,737</u>	<u>1,261,950</u>
	Total liabilities other than provisions	<u>6,506,737</u>	<u>1,261,950</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>20,484,660</u></u>	<u><u>6,547,383</u></u>

- 1 Accounting policies
- 4 Contractual obligations and contingencies, etc.
- 5 Collateral

Financial statements 1 May 2019 - 30 April 2020

Statement of changes in equity

DKK	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 May 2019	50,000	1,735,433	3,500,000	5,285,433
Transfer through appropriation of profit	0	1,081,379	11,111,111	12,192,490
Dividend distributed	0	0	-3,500,000	-3,500,000
Equity at 30 April 2020	50,000	2,816,812	11,111,111	13,977,923

Financial statements 1 May 2019 - 30 April 2020

Notes to the financial statements

1 Accounting policies

The annual report of Dania Energy Supply ApS for 2019/20 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 May 2019 - 30 April 2020

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

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

Financial statements 1 May 2019 - 30 April 2020

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 May 2019 - 30 April 2020

Notes to the financial statements

DKK	<u>2019/20</u>	<u>2018/19</u>
2 Staff costs		
Wages/salaries	1,698,864	1,078,864
Pensions	55,900	0
Other social security costs	4,984	6,100
Other staff costs	6,725	3,863
	<u>1,766,473</u>	<u>1,088,827</u>
Average number of full-time employees	<u>1</u>	<u>1</u>
3 Financial expenses		
Interest expenses, group entities	13,568	0
Other financial expenses	503,854	53,742
	<u>517,422</u>	<u>53,742</u>

4 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, Frostcorp Holding ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes, as well as withholding taxes on interest, royalties and dividends.

Other financial obligations

Rent and lease liabilities include a rent obligation totalling DKK 14.916

5 Collateral

The Company has not provided any security or other collateral in assets at 30 April 2020.

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Allan Runge Frost

CEO/direktør

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Allan Runge Frost

Chairman

På vegne af: Dania Energy Supply ApS

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NEM ID 

Jonas Kristiansen

Statsautoriseret revisor

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: CVR:30700228-RID:21401488

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Michael Vakker Maass

Statsautoriseret revisor

På vegne af: EY Godkendt Revisionspartnerselskab

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