



# Global Risk Management

Investment Firm

Annual Report 2018/19

A/S Global Risk Management Ltd. Fondsmæglerselskab  
Strandvejen 7, DK-5500 Middelfart, Denmark  
VAT no. 39065606  
FSA no. 8325

The Annual Report was presented  
and adopted at the Annual General  
Meeting of the Company on 26 June 2019



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## Management's Review

## Company Facts

### *The Company*

A/S Global Risk Management Ltd. Fondsmæglerselskab  
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DK-5500 Middelfart

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Facsimile: +45 8838 0009

E-mail: [hedging@global-riskmanagement.com](mailto:hedging@global-riskmanagement.com)

VAT No: 39065606

Financial year: 1 May - 30 April

Municipality of reg. office: Middelfart

### *Board of Directors*

Keld Rosenbæk Demant, Chairman of the Board

Jacob Bro Eriksen, Board Member

Kaj Damgaard, Board Member

Michael Krabbe, Board Member

### *Executive Management*

Hans Erik Christensen, Chief Executive Officer

### *Other Significant Risk Takers*

Niels Hyldegaard Kristensen, Chief Financial Officer

Morten Rudebeck Henriksen, Sales Director

### *Auditor*

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Herredsvej 32

DK-7100 Vejle



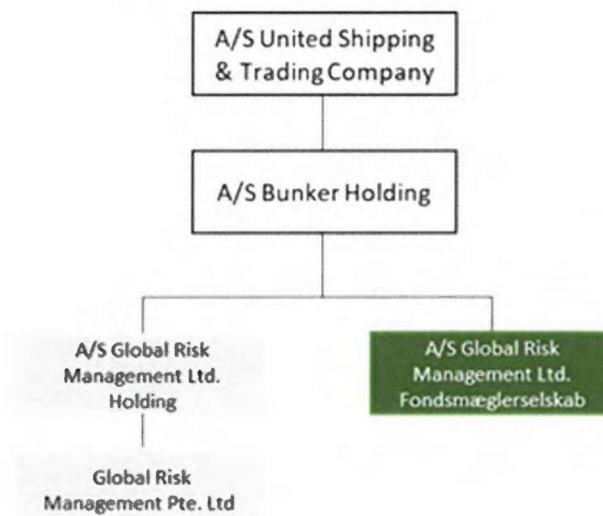
## Management's Review

### Company Introduction

A/S Global Risk Management Ltd. Fondsmæglerselskab (hereafter referred to as GRM) is a fully owned subsidiary of Bunker Holding and part of the USTC group. GRM was established as a separate legal entity with licence as an investment firm on 3 January 2018 following the implementation of the MiFID II regulatory regime.

The commercial focus is to enable international and domestic clients to manage their fuel price exposure and associated liquidity risk by giving access to bilateral trading and margin funding in relevant derivative instruments. Furthermore, GRM seeks to enhance our client's knowledge and risk awareness through general advice and market info.

GRM's commercial history pre-dates its establishment in 2018 as similar commercial activities have been conducted in Global Risk Management Holding since 2004, thus giving GRM the benefit of a proven business model and experienced employees.



#### *Client Base*

GRM offers its services to corporate clients who are exposed to fluctuations in fuel prices and wish to hedge those exposures to secure their budgets. The clients are grouped into the segments Shipping, Supplier, Aviation and Industry.

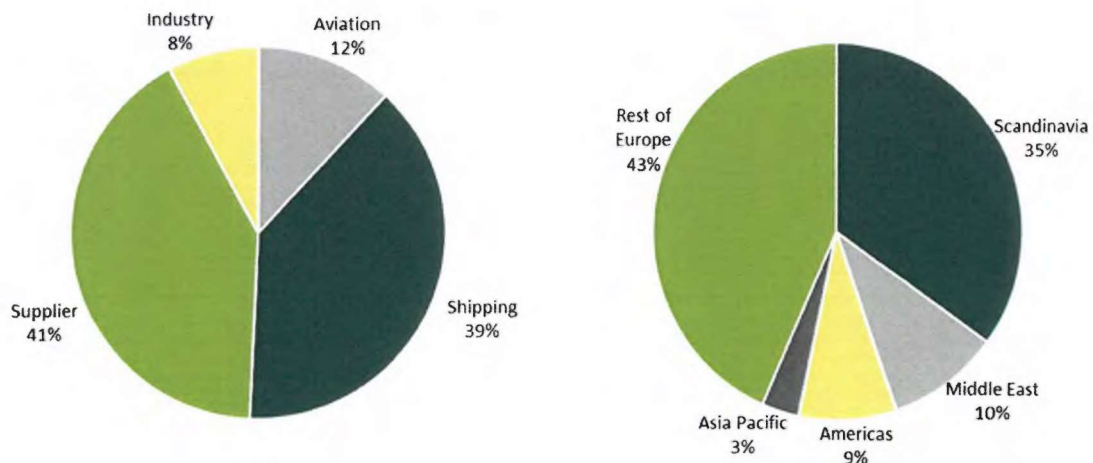


## Management's Review

Over the past couple of years focus has been on securing an appropriate diversification across the 4 client segments and to secure a balance between the natural buyers of fuel (Shipping, Aviation and Industry) and the natural sellers (Suppliers). The current diversification, as can be seen from the chart below, is viewed as acceptable however the focus on improving the balance and diversification of the portfolio will remain in the year to come.

The geographical focus has historically been that of Scandinavia and North-West Europe, however, strategic initiatives to increase the general European presence have been initiated. Niche geographical areas are also served. Distribution of clients across geography is displayed in the chart below.

*Client distribution across client industries and geography as of 30 April 2019:*



### *Knowledge Management*

GRM differentiates itself from its competitors by offering superior service and advice which enable the clients to identify the hedging strategy that is best tailored to their business characteristics and risk appetite.

In order to offer such service GRM is dependent on being able to attract and keep highly motivated and experienced employees with specialist competencies within derivatives trading and risk management.

GRM strives to be an attractive workplace by offering a good working environment, by having a focus on personal development and by offering competitive remuneration packages that emphasise both the individual and team performance.

In order to ensure optimal use of the available resources in the group GRM has entered into split-contracts with its employees together with A/S Global Risk Management Ltd. Holding. As of 30 April 2019, a total of 27 employees are hired on these split contracts which is currently equivalent to 16 full-time employees.



## Management's Review

### *Remuneration Policy*

The Board of Directors reviews and approves the remuneration policy annually. The policy can be accessed through the Company website: <https://www.global-riskmanagement.com/about-us/policies/remuneration-policy>. With reference to the size of the Company the Board of Directors has chosen not to establish a formal remuneration committee.

Remuneration to the Board of Directors, Executive Management and Other Risk Takers is set out in note 5.

### *Research & Development Activities*

GRM has not initiated any larger and independent R&D projects or IT developments over the course of the financial year 2018/19. However, GRM has licensed software applications that are under ongoing development in other Bunker Holding entities and from these developments GRM will benefit indirectly.

## Highlights of 2018/19

The financial year 2018/19 has been a year characterised by periods of very high market volatility which has increased the overall demand for GRM's value proposition among existing as well as new clients. The increased demand has impacted positively on traded volumes as well as on margins which is very satisfactory.

In preparation for the impact on fuel prices of the IMO 2020 sulphur regulation and in order to support GRM's strategic initiatives, GRM and Bunker Holding have worked in close cooperation to secure GRM a committed credit facility of 100 million USD with a syndicate of 12 domestic and international banks. Although the financial impact of the new facility has been negligible in the financial year 2018/2019 it is expected to impact positively on future interest costs as well as on GRM's capability to continue the organic growth in the years to come.

In the financial year of 2018/19 GRM achieved a:

- net trading income of 15.5 M USD versus 11.6 M USD in 2017/2018
- result before tax of 8.9 M USD versus 6.6 M USD in 2017/2018
- net result of 7 M USD versus 5.1 M USD in 2017/2018
- year-end equity of 41.5 M USD and a return on equity after tax of 18.3 %
- year-end capital surplus of 27 M USD compared to the regulatory capital requirement and a 19.9 M USD surplus compared to the individual solvency requirement
- solid foundation for further organic growth and realisation of the strategic initiatives identified

### *Financial Review*

A/S Global Risk Management Ltd. Fondsmæglerselskab achieved a result before tax of 8.9 M USD in the financial year 2018/19 versus 6.6 M USD in the financial year 2017/18. The net result amounted to 7 M USD versus 5.1 M USD in the previous year.

The net trading income reached 15.5 M USD which is a 33.1% increase on last year's performance. The growth in net trading income is realised through a continued expansion of the client base, an increase in traded volumes and a positive development in margins compared to the previous year.

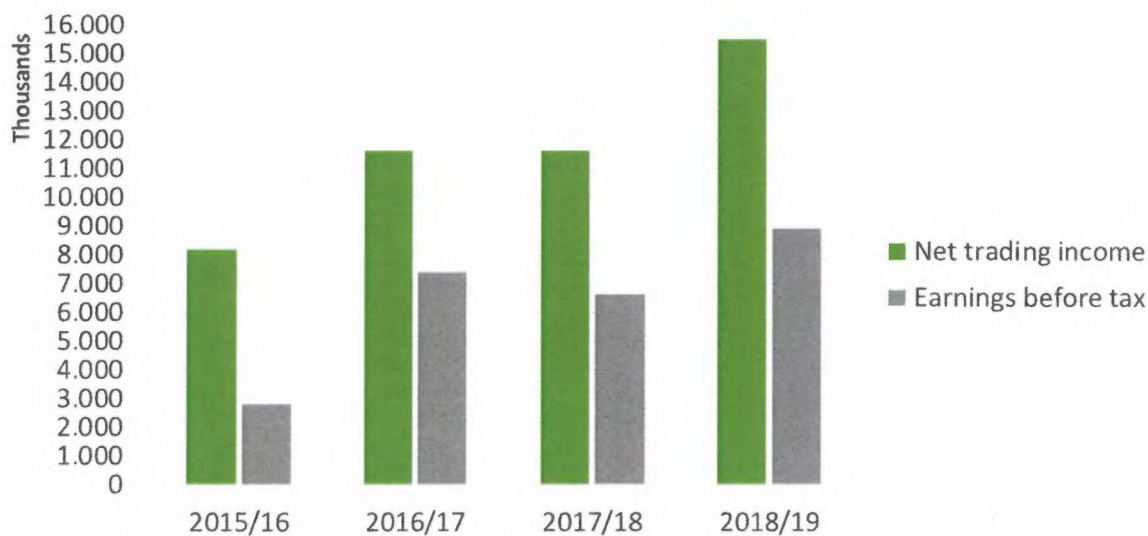
## Management's Review

Net interest reached 3 T USD which is 153 T USD lower compared to the previous financial year. The decrease in net interest is related to increased cost on committed funding when comparing with the previous year and by an increased use of the available funding during the periods of high market volatility in Q4 of calendar year 2018.

Staff cost reached 3.6 M USD which is an increase of 0.35 M USD compared to the previous financial year. The increase is mainly driven by a small increase in the number of employees and performance-based incentive programs.

Other administrative expenses reached 1.6 M USD which is a decrease of 0.25 M USD compared to the previous financial year. The decrease is primarily a result of external advisor cost normalising after having spiked in the period leading up to the MiFID II implementation.

Provision for impaired receivables is up 1.3 M USD compared to the previous year, however coming from a very low level.



*Historic results in T USD. Results from 2015/16 and 2016/17 are derived from A/S Global Risk Management Ltd. Holding and represent the activity that under MiFID II would have been performed by the investment firm GRM.*

Given the ability to continue the expansion of the client base and profit from the increase in traded volumes the overall result of the financial year 2018/19 is viewed as very satisfactory.

### *Risks and Uncertainty Associated with the Value Assessment and Recognition Thereof*

Minor uncertainty can be present in the value assessment of the unrealised financial derivatives categorised as level 2 and level 3 in the fair value hierarchy as they are traded OTC (Over The Counter). For these instruments forward curves must be derived through market observations, available market data and by use of spreads to other directly observable instruments. To minimise the uncertainty associated with the value assessment of these instruments forward curves used are continuously tested against independent third parties providing market data and against other market makers with whom GRM is trading said instruments.



## Management's Review

However, as most of the transactions are traded on a back-to-back basis any uncertainty remaining after our validations and controlling will be only minor as a gain or loss associated with the value assessment will be almost entirely offset by the opposing loss or gain on the hedging transaction as can also be seen from note 9.

No other uncertainty or event that could potentially affect the value assessment and recognition thereof have occurred over the course of the financial year.

### *Solvency and Capital Ratio*

The capital base of GRM reached 41.5 M USD as of 30 April 2019 and represents an increase of 7 M USD since 30 April 2018. The increase is entirely comprised of the net profit of the year.

The risk weighted assets reached 177.9 M USD which gives a capital ratio of 23.3 %.

The risk weighted assets totalling 177.9 M USD are comprised of

- 147.4 M USD related to credit risk
- 14.4 M USD related to market risk
- 16.1 M USD related to operational risk

The capital ratio of 23.3 % is well above the regulatory capital requirement of 8 % and the individual solvency requirement of 12.2 % and will allow GRM to continue the focus on organic growth of the business.

### *Risks and Risk Management*

When providing the services of trading in financial commodity derivatives and margin financing to clients GRM exposes itself to different risks such as credit, market, liquidity and operational risks that are quantified and monitored on an ongoing basis to ensure stable long term profitable growth.

The appetite towards the different risks are determined by the Board of Directors and is accompanied by clear mandates to the executive management as well as individual policies for the risk areas stating the principles for identification, management and reporting of the risks to the Board of Directors. A policy for the prevention of conflict of interest has also been adopted to ensure proper organisational design and independent monitoring and reporting.

The executive management has put in place operating procedures that support and implement the risk policies into the ongoing business management and the procedures are designed to ensure the necessary segregation of duties and eliminate any potential conflict of interest that could have adverse effect on the quality of the risk management.

As the market volatility on fuel and other oil related commodities is very high compared to most other asset classes the Board of Directors has issued a conservative approach to market related risks and the main risk is thus counterparty credit risk.

For more detailed description of the risks please see note 12.





## Management's Review

### *Distribution of Profits*

The Board of Directors proposes, for approval at the General Assembly, that the full profit of the year is kept as retained earnings.

### Expectations for the Financial Year 2019/20

The net result for the financial year 2019/20 is expected to be within the range of 6.5 to 7.5. M USD.

Some degree of uncertainty is associated with the expectations as margins and the traded volumes can be influenced by changes in commodity prices and the general market volatility. Historically GRM has been able to grow the client portfolio sufficiently to counter these periodic effects on the net trading income.

The net interest is expected to be at comparable levels to 2018/19 despite available funding increasing, however the net interest is to a large extent driven by collateral inflow/outflow caused by movements in commodity prices.

Total operating costs are expected to remain at the same levels as realised in 2018/19. Staff costs are expected to grow slightly as a higher average number of employees is expected to be employed over the course of the coming financial year, whereas the costs to external advisors are expected to decrease further.

### *Events after 30 April 2019*

No event that could potentially affect the assessment and valuation of this Annual Report has occurred after 30 April 2019 and up until the adoption of this report.



## Management's Review

### Management and Directorships

#### *Board of Directors*

*Keld Rosenbæk Demant, Chairman of the Board*

#### Directorships

- Chairman of the Board at A/S Global Risk Management Ltd. Fondsmæglerselskab
- Chairman of the Board/Board Member in 20 companies within the United Shipping & Trading Company group
- Chairman of the Board at Strib Idrætsefterskole
- Board Member at Uhrenholt A/S

#### Chief Executive Officer

- Bunker Holding A/S

#### Executive Officer

- Executive Officer in 2 companies within the United Shipping & Trading Company group
- BK Demant Management ApS

*Jacob Bro Eriksen, Board Member*

#### Directorships

- Board Member at A/S Global Risk Management Ltd. Fondsmæglerselskab
- Chairman of the Board at Uniconta A/S
- Chairman of the Board at Fondsmæglerselskab Petersen & Partners Investment Management A/S
- Board Member at Bawat A/S
- Board Member at Firstaiders A/S
- Board Member at Foreningen Drug Rebels

#### Chief Executive Officer

- Omni Advice 1987 ApS
- Omni Group 2000 ApS
- Omni Transaction 2017 ApS
- Omni Elearning 2017 ApS



## Management's Review

### *Kaj Damgaard, Board Member*

#### Directorships

- Board Member at A/S Global Risk Management Ltd. Fondsmæglerselskab
- Chairman of the Board at Vestjylland Forsikring GS
- Chairman of the Board at Ven-To ApS

#### Executive Officer

- KD Management v/Kaj Damgaard

### *Michael Krabbe, Board Member*

#### Directorships

- Board Member at A/S Global Risk Management Ltd. Fondsmæglerselskab
- Board Member in 10 companies within the United Shipping & Trading Company group

#### Executive Officer

- Bunker Holding A/S
- Executive Officer in 2 other companies within the United Shipping & Trading Company group

### *Executive Management*

#### *Hans Erik Christensen, Chief Executive Officer*

#### Directorships

- Board Member at A/S Global Risk Management Ltd. Holding
- Board Member at Global Risk Management Pte. Ltd.

#### Chief Executive Officer

- A/S Global Risk Management Ltd. Fondsmæglerselskab
- A/S Global Risk Management Ltd. Holding



## Financial Statements

### Income Statement and Statement of Comprehensive Income

1 MAY - 30 APRIL

<i>USD '000</i>	<b>Note</b>	<b>2018/19</b>	<b>2017/18</b>
Interest income	2	1,539	1,077
Interest expenses	3	-1,536	-921
<b>Net interest income</b>		<b>3</b>	<b>156</b>
Net trading income	4	15,460	11,613
Staff and administrative expenses	5	-5,254	-5,147
Impairment of receivables	6	-1,338	-
<b>Result before tax</b>		<b>8,872</b>	<b>6,622</b>
Corporation tax	7	-1,904	-1,492
<b>Net result</b>		<b>6,968</b>	<b>5,130</b>
<b>Proposed distribution of profit</b>			
Retained earnings		6,968	5,130
<b>Other comprehensive income</b>			
Net result		6,968	5,130
<b>Total comprehensive income</b>		<b>6,968</b>	<b>5,130</b>



## Financial Statements

### Balance Sheet

#### Assets

<i>USD '000</i>	<b>Note</b>	<b>2019</b>	<b>2018</b>
Receivables with credit institutes	8	91,510	74,727
Derivatives and financial instruments	9	53,098	51,775
Other assets		578	0
Prepayments		51	118
<b>Total assets</b>		<b>145,237</b>	<b>126,620</b>



## Financial Statements

### Balance Sheet

#### *Liabilities and Equity*

<i>USD '000</i>	<b>Note</b>	<b>2019</b>	<b>2018</b>
<b>Debt</b>			
Deposits and other debt	10	133	490
Current tax liabilities	7	1,904	1,492
Derivatives and financial instruments	9	100,718	88,969
Other liabilities		980	1,136
<b>Total debt</b>		<b>103,735</b>	<b>92,086</b>
<b>Equity</b>			
Share capital	11	1,001	1,001
Share premium		28,403	28,403
Retained earnings		5,130	0
Result for the year		6,968	5,130
<b>Total equity</b>		<b>41,502</b>	<b>34,534</b>
<b>Total liabilities and equity</b>		<b>145,237</b>	<b>126,620</b>
Financial risk	12		
Security and contingent liabilities	13		
Related parties	14		
Fee to auditors appointed at general meeting	15		
Accounting policies	16		



## Financial Statements

### Statement of Changes in Equity

USD '000

2018/19

	Share capital	Capital premium	Retained earnings	Total
Equity at 1 May	1,001	28,403	5,130	34,534
Net profit for the year	0	0	6,968	6,968
<b>Equity at 30 April</b>	<b>1,001</b>	<b>28,403</b>	<b>12,098</b>	<b>41,502</b>

USD '000

2017/18

	Share capital	Capital premium	Retained earnings	Total
Equity at 1 May	137	25,083	0	25,220
Capital addition	864	3,320	0	4,184
Net profit for the year	0	0	5,130	5,130
Transfer to capital premium	0	0	-	0
<b>Equity at 30 April</b>	<b>1,001</b>	<b>28,403</b>	<b>5,130</b>	<b>34,534</b>



## Notes to the Financial Statement

### 1 FINANCIAL HIGHLIGHTS OF THE COMPANY

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>	<b>2016/17</b>
Net interest income	3	156	455
Net trading income	15,460	11,613	11,630
Staff and administration expenses	-5,254	-5,147	-4,654
Net result	6,968	5,130	5,789
Equity	41,501	34,534	25,220
Total assets	145,237	126,620	50,559
Own funds	41,501	34,534	-
Minimum capital requirement	14,230	13,398	-
Total risk exposure amount	177,874	167,480	-

#### *Financial ratios*

<i>Per cent</i>	<b>2018/19</b>	<b>2017/18</b>	<b>2016/17*</b>
Own funds as a percentage of minimum capital requirements	291.6%	257.7%	-
Solvency ratio	23.3%	20.6%	-
Tier 1 capital ratio	23.3%	20.6%	-
Return on equity before tax	23.3%	22.2%	-
Return on equity after tax	18.3%	17.2%	-
Income/cost ratio	294.3%	225.6%	249.9%

The financial ratios are in accordance with the guidelines of the Danish Financial Authority, Finanstilsynet.

\* With the Company being licensed as an investment firm by the Danish FSA on 3 January 2018 certain ratios and key figures are not available for the financial year 2016/17.





## Notes to the Financial Statement

### 1 FINANCIAL HIGHLIGHTS OF THE COMPANY (CONTINUED)

#### *Capital Requirements and Capital Surplus*

	2018/19	2017/18	2016/17*
Initial capital requirement, T EUR	730	730	-
Own funds as a percentage of initial capital (EUR/USD 112.18)	5068%	3916%	-
25 % of preceding year's expenses	1,313	1,164	-
Own funds as a percentage of 25 % of preceding years' experience	3160%	2968%	-

*\* With the Company being licensed as an investment firm by the Danish FSA on 3 January 2018 certain ratios and key figures are not available for the financial year 2016/17..*



## Notes to the Financial Statement

### 2 INTEREST INCOME

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
Receivables with credit institutes	1,400	941
Lending and other receivables	139	136
<b>Total interest income</b>	<b>1,539</b>	<b>1,077</b>

### 3 INTEREST EXPENSES

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
Credit institutions	-14	-331
Loan and other debt	-1,013	-147
Other interest expenses	-509	-443
<b>Total interest expenses</b>	<b>-1,536</b>	<b>-921</b>

### 4 NET TRADING INCOME

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
Currency, interest rate, commodity and other contracts and other derivatives	15,460	11,613
<b>Total net trading income</b>	<b>15,460</b>	<b>11,613</b>

## Notes to the Financial Statement

### 5 STAFF AND ADMINISTRATIVE EXPENSES

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
Wages and salaries	3,451	3,140
Pensions	181	133
Other social security expenses	13	17
<b>Total staff expenses</b>	<b>3,645</b>	<b>3,290</b>
Other administrative expenses	1,608	1,857
<b>Total staff and administrative expenses</b>	<b>5,253</b>	<b>5,147</b>
Average Number of Employees	<b>16</b>	<b>15</b>

A/S Global Risk Management Ltd. Fondsmæglerselskab and A/S Global Risk Management Ltd. Holding are joint employers of management and employees of A/S Global Risk Management Ltd. Fondsmæglerselskab.

The average number of employees is adjusted to reflect the current distribution of resources and time between the two companies.

#### Remuneration

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
<b>Remuneration of Board of Directors</b>		
Fixed	93	41
<i>thereof pension</i>	0	-
Variable	0	-
<b>Remuneration of executive management</b>		
Fixed	420	247
<i>thereof pension</i>	30	16
Variable	210	349

## Notes to the Financial Statement

### 5 STAFF AND ADMINISTRATIVE EXPENSES (CONTINUED)

#### Remuneration (continued)

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
<b>Remuneration of other significant risk takers</b>		
Fixed	506	343
<i>thereof pension</i>	43	29
Variable	305	399
Number of board members	4	4
Number of executive management members	1	1
Number of other risk takers	2	2

#### Salaries and other remuneration, A/S Global Risk Management Ltd. Fondsmæglerselskab

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
<b>Board of Directors</b>		
Keld Rosenbæk Demant, Chairman of the Board	23	10
Jakob Bro Eriksen, Board Member	23	10
Kaj Damgaard, Board Member	23	10
Jesper Klokke Hansen, Board Member (retired)	23	10
Michael Krabbe, Board Member (from March 2019)	0	
<b>Managing director</b>		
Hans Erik Christensen	630	596
<i>Total remuneration from group incl. vehicle expenses</i>	970	889

#### Information regarding Incentive Programs

The Board of Directors has approved an incentive program for the executive management and other significant risk takers. The value of the incentive program is dependent on the financial performance (EBT) of the Company inclusive of risks over an extended period of time. The value of the incentive program for the year 2018/19 constitutes the number listed under variable remuneration for the relevant groups. The Board of Directors is not included in the incentive program.



## Notes to the Financial Statement

### 6 IMPAIRMENT OF RECEIVABLES AND PROVISION FOR LOSS

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
New provisions on receivables	1,278	-
Losses incurred without precedent provisions	60	-
<b>Impairments and provisions recognised in the income statement</b>	<b>1,338</b>	<b>-</b>

### 7 CORPORATION TAX

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
<b>Specification of corporation tax base</b>		
Result before tax	8,872	6,622
Adjustment for non-tax items	2	16
<b>Taxable income</b>	<b>8,874</b>	<b>6,638</b>
Adjustment of taxable income due to currency translation DKK/USD	-220	145
<b>Actual base for tax calculation</b>	<b>8,654</b>	<b>6,783</b>
Actual tax rate	22%	22%
<b>Tax calculation</b>		
Tax on result before tax	1,952	1,457
Tax on non-tax items	0	3
Tax due to currency translation	-48	32
<b>Total corporation tax</b>	<b>1,904</b>	<b>1,492</b>
<b>Effective tax percentage</b>		
Actual tax rate	22.0%	22.0%
Adjustment for non-tax items	0.0%	0.1%
Adjustment for currency translation DKK/USD	-0.5%	0.5%
<b>Total effective tax percentage</b>	<b>21.5%</b>	<b>22.5%</b>

## Notes to the Financial Statement

### 8 RECEIVABLES FROM CREDIT INSTITUTES

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
Deposits with payment on demand	91,510	74,727
<b>Total Receivables from credit institutes</b>	<b>91,510</b>	<b>74,727</b>

### 9 DERIVATIVES AND FINANCIAL INSTRUMENTS

<i>USD'000</i>	<b>2018/19</b>	<b>2018/19</b>	<b>2017/18</b>	<b>2017/18</b>
	Assets	Liabilities	Assets	Liabilities
<b>Oil and currency</b>				
Commodity swaps	121,326	-121,325	134,292	-123,298
Commodity futures	10,433	-10,561	34,880	-31,269
Forwards	-	-	1,675	-4,712
Commodity options	13,616	-13,646	5,941	-5,127
Forward foreign exchange contracts	11,837	-1,201	-	-
Settled financial instruments	10,487	-7,474	7,290	-9,557
	167,699	-154,207	184,078	-173,963
<b>Balances qualifying for offsetting</b>				
Commodity swaps, -futures and -options	-48,174	48,173	-70,075	70,075
	119,525	-106,033	114,003	-103,888
Margin deposits	-66,427	5,315	-62,228	14,918
<b>Amounts presented in the balance sheet</b>	<b>53,098</b>	<b>-100,718</b>	<b>51,775</b>	<b>-88,969</b>

A/S Global Risk Management Ltd. Fondsmæglerselskab has master netting agreements with all clients and counterparties and obtains and provides collateral in excess of agreed credit limits. In the balance sheet, derivative assets and liabilities and related collateral with the same counterparty is presented net to the extent that the amounts will be settled net.



## Notes to the Financial Statement

### 9 DERIVATIVES AND FINANCIAL INSTRUMENTS (CONTINUED)

#### Net Exposure in Case of Default

The net exposure in case of default is reduced by guarantees issued by counterparties and counterparty parent companies.

USD'000	2018/19	2018/19	2017/18	2017/18
	Assets	Liabilities	Assets	Liabilities
<b>Amounts presented in the balance sheet</b>	<b>53,098</b>	<b>-100,718</b>	<b>51,775</b>	<b>-88,969</b>
Amounts with right of set-off	-19,398	19,398	-12,236	12,236
Balance amounts covered by guarantees	-1,976	-	-	-
<b>Net exposure in case of default</b>	<b>31,724</b>	<b>-81,320</b>	<b>39,539</b>	<b>-76,733</b>

#### Fair Value Hierarchy

USD'000	Level 1	Level 2	Level 3	Total
<b>2018/19</b>				
<b>Financial assets</b>				
Derivatives	20,920	146,779	-	167,699
<b>Total</b>	<b>20,920</b>	<b>146,779</b>	<b>-</b>	<b>167,699</b>
<b>Financial liabilities</b>				
Derivatives	-18,035	-136,172	-	-154,207
<b>Total</b>	<b>-18,035</b>	<b>-136,172</b>	<b>-</b>	<b>-154,207</b>
<b>2017/18</b>				
<b>Financial assets</b>				
Derivatives	42,171	141,907	-	184,078
<b>Total</b>	<b>42,171</b>	<b>141,907</b>	<b>-</b>	<b>184,078</b>
<b>Financial liabilities</b>				
Derivatives	40,825	-133,138	-	-173,963
<b>Total</b>	<b>-40,825</b>	<b>-133,138</b>	<b>-</b>	<b>-173,963</b>



## Notes to the Financial Statement

### 9 DERIVATIVES AND FINANCIAL INSTRUMENTS (CONTINUED)

#### Fair Value Hierarchy (continued)

Financial instruments measured at fair value comprise only derivatives and can be divided into three levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). To a large extent level 2 is based on observable quoted prices, however, in some instances forward prices are not observable. In these situations, the most liquid forward curves are used and a spread to the specific location is derived. For options theoretical pricing models with implied volatilities from Ice (option smile) are used to calculate market prices. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to calculate the fair value of an instrument are observable, the instrument is included in Level 2;

Level 3 – Inputs for the asset or liability that are primarily based on unobservable market data.

### 10 DEPOSITS AND OTHER DEBT

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
Overdraft facility	133	490
<b>Total deposits and other debt</b>	<b>133</b>	<b>490</b>

### 11 EQUITY

The share capital consists of 8,581 shares of EUR 100.

The share capital was translated at historical weighted average price USD/EUR of 116,63 equal to USD 1.000.622.





Notes to the Financial Statement

12 FINANCIAL RISK

*Counterparty Risk*

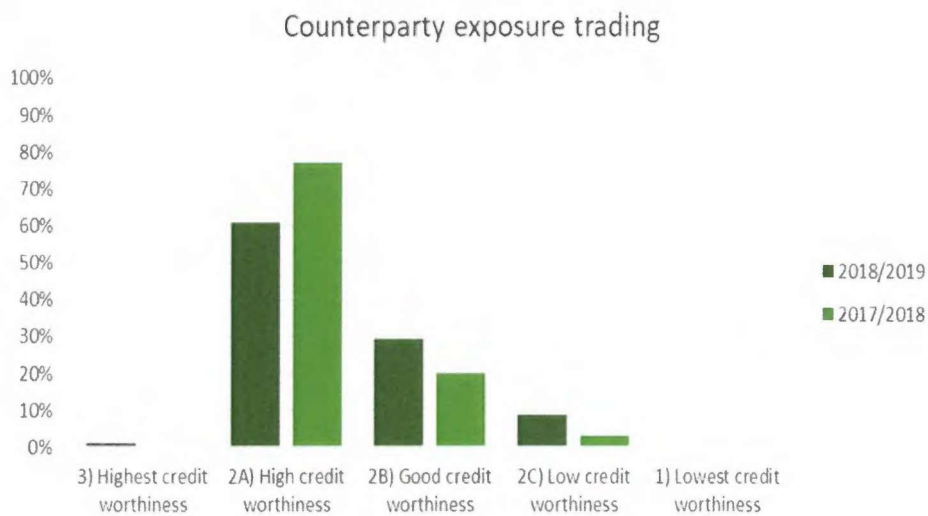
GRM is exposed to counterparty risk in the sense that if a client (or financial counterparty) defaults, then GRM cannot expect to receive payment on any positive market value that might be in GRM’s favour as of the time of default. In the same way GRM is exposed if a bank holding GRM deposits defaults.

In order to manage the counterparty risk, the credit risk policy issues limitations on large exposures, concentration risk and the desired credit quality of counterparties on which an exposure is acquired. The Board of Directors also approves the list of banks with which GRM can deposit funds. An individual limit for the total deposit per bank is also set in order to ensure a diversified placement of the funds.

As the market value of the derivatives traded can quickly change, all trading is based on ISDA or ISDA equivalent master agreements and credit support agreements. When market values exceed the agreed limits, cash collateral is immediately exchanged between the parties, thus ensuring that the exposure is kept within the agreed limits. If collateral is not delivered timely then positions can be terminated to prevent further negative development in the market values and the exposure between the parties.

To ensure alignment with the credit policy formal and stringent rating and credit approval procedures are in place and monitoring and reporting of the counterparty risk is continuously available for the management team. The risk mandate to accept credit exposures lies solely with the management team and the Board of Directors.

*Counterparty risk per rating class as of 30 April 2019:*





## Notes to the Financial Statement

### 12 FINANCIAL RISK (CONTINUED)

The distribution of the current risk exposure across rating classes can be seen from the graph above and it shows that trading lines and tenor are matched with the credit quality ensuring that the exposure is mainly with the most creditworthy segments.

Deposits are primarily held with reputable banks with a SIFI classification.

Counterparty risk (on deposited funds) per rating class as of 30 April 2019:



### *Market Risk*

#### *Financial Derivatives:*

GRM can potentially be exposed to market risk from several sources, however, in general GRM has a very risk averse attitude towards market risk due to the high volatility and notoriously unpredictable market movements in the price of oil and oil related commodities. As a result, GRM enters into opposite hedging transactions to mitigate the risks acquired from the transactions made with clients.

For transactions where it for various reasons is not possible or commercially viable to perfectly hedge a position or hedge with the same commodity GRM will be exposed to some degree of market risk.

The market risk from financial derivatives can take the form of:

- Outright position risk
- Various types of basis risk/settlement risk

## Notes to the Financial Statement

### 12 FINANCIAL RISK (CONTINUED)

To control the market risk, position monitoring is conducted continuously and online system integration with financial counterparties are utilised to cut down on the lead time from time of trade/mandate violation to error detection by the middle office controllers.

#### *Currency Risk:*

GRM is exposed to currency risk by operating costs not all being in USD and from derivative trades quoted to clients in non-USD currency.

Currency risk is continuously monitored in the same way as market risk stemming from financial commodity derivatives and continuously hedged.

For quantification of the position risk and basis risk GRM uses statistically based VaR models. The Board of Directors has issued clear mandates to management regarding the acceptable level of market risk.

#### *Interest Rate Risk:*

The interest rate exposure stems from committed loan facilities, from the trading lines setup with financial counterparties and from client collateral on which GRM has an obligation to pay interest.

The interest rate risk is assessed in accordance with the standard method as described by the Danish Financial Supervisory Authority and reported to the Board of Directors.

The VaR mandates for the individual market risk areas are limited at a maximum level equivalent to 5 % of the tier 1 capital.

#### *Liquidity Risk*

GRM's business model is based on hedging derivative positions sold to clients back-to-back. If the trading terms regarding collateral and settlement are also identical between the client trade and the hedge transaction, then no liquidity risk of notable size will exist as the potential need to post collateral on the one side due to negative market values will be set-off by the ability to demand collateral from the other side due to positive market values.

GRM's credit terms towards clients on the one side and financial counterparties on the other side are, however, not identical, which exposes GRM to liquidity risk.

GRM is currently exempt from Capital Requirements Regulation (CRR) in accordance with article 498, so far until 31 December 2020, however, the Board of Directors has decided to make an adoption of the CRR requirements regarding funding and liquidity risk (NSFR and LCR) into the liquidity risk policy of GRM.



## Notes to the Financial Statement

### 12 FINANCIAL RISK (CONTINUED)

The risk appetite has been determined at

- LCR minimum of 150 %
- NSFR minimum of 150 %

#### *Operational Risk*

GRM is continuously working to reduce operational risk by introduction of automated controls, improving system design, procedures and reporting.

In general, the residual operational risk, that remains after considering the reducing effects of preventive measures, is viewed as small. Mitigation efforts include, whenever possible, automated monitoring of known risks and all operational incidents resulting in or having had the potential to cause a loss are registered and reported to the responsible manager and the risk committee for assessment and decision in regard to further preventive actions.

#### *Risk Governance and Reporting*

The Board of Directors is responsible for the governance structure. The governance structure is described through several policies the most essential of which are set out below. The policies and supporting procedures make the Board's risk appetite operational:

- Credit risk policy
- Market risk policy
- Liquidity risk policy
- Capital policies
- Operational risk policy
- Policy for preventing money laundering and terrorist financing
- Policy for the prevention of conflicts of interest

In these policies the principles for managing the risks are clearly stated, and GRM has implemented reporting, which ensures that all the principles stated in the policies are monitored and controlled. The results of the monitoring activities are reported back to the Board of Directors on a regular basis. The reporting is conducted by the second line function risk management, which is independent of the first line operation.

Reporting on limits is presented to management 3 times throughout the day and available live on ad hoc basis.

If a breach of risk appetite is detected, the Head of Risk Management must report to the Board of Directors. Furthermore, if the Company cannot remain compliant, the Head of Compliance must report to management and the Board of Directors.

A Risk Committee has been established. The purpose of the Risk Committee is to assess and decide on any preventive actions on observed or potential risks.



## Notes to the Financial Statement

### 13 SECURITY AND CONTINGENT LIABILITIES

<i>USD '000</i>	<b>2018/19</b>	<b>2017/18</b>
<i>Contractual obligation:</i>		
No later than one year	871	241
Later than one year but no later than 5 years	105	-
Later than 5 years	-	-
-	976	241
Hereof Group enterprises	976	241

The Danish group enterprises are jointly and severally liable for tax on the consolidated jointly taxed income etc. The total corporation tax payable is shown in the Annual Report of Selfinvest ApS, which is the management company of the joint taxation. The Danish group enterprises are moreover jointly and severally liable for Danish withholding taxes. Any subsequent adjustments of corporation tax and withholding taxes may imply that the Company is liable for a higher amount.

It is assessed highly unlikely that a present obligation will arise and result in an outflow of economic resources from the Company.

### 14 RELATED PARTIES AND OWNERSHIP

The Company is included in the Consolidated Financial Statements of the immediate Parent Company, Bunker Holding A/S. Bunker Holding A/S is incorporated in Denmark.

Controlling interest is exercised through the immediate parent Company, Bunker Holding A/S. The Company's ultimate parent company which prepares Consolidated Financial Statements is Selfinvest ApS, in which Torben Østergaard-Nielsen, CEO, exercises control.

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Bunker Holding A/S, Strandvejen 5, DK-5500 Middelfart.

## Notes to the Financial Statement

### 14 RELATED PARTIES AND OWNERSHIP (CONTINUED)

In this financial year the Company had transactions with the following related corporations:

- A/S Global Risk Management Ltd. Holding
- Bunker Holding A/S

Transactions with A/S Global Risk Management Ltd. Holding comprise:

- Resource sharing agreements on lease of office space, communication, equipment, IT systems and other administration expenses
- Transactions in oil and fuel-based derivatives for hedging purposes
- Interest rate on margin deposits

Transactions with Bunker Holding A/S comprise:

- Service level agreements for parent company and treasury services
- Transactions in currency-based derivatives for hedging purposes

Resource sharing agreements are settled on a cost-level basis. Derivatives transactions are settled on market terms.

The transactions with related parties are included in the income statement as follows:

	Other related parties	Parent company	Other related parties	Parent company
<i>USD '000</i>	<b>2018/19</b>	<b>2018/19</b>	<b>2017/18</b>	<b>2017/18</b>
Financial income	2	91	-	-
Financial expenses	-937	-621	-76	-211
Net trading income*	63,377	1,823	29,765	-3,212
Staff and administrative expenses	-499	-3,900	-716	-510
<b>Total transactions</b>	<b>61,943</b>	<b>-2,606</b>	<b>28,973</b>	<b>-3,933</b>

\* Amounts presented in the net trading income above represents the value of realised hedge trades with the related parties.

## Notes to the Financial Statement

### 14 RELATED PARTIES AND OWNERSHIP (CONTINUED)

Amounts outstanding with related parties are included in the balance as follows:

	Other related parties	Parent company	Other related parties	Parent company
<i>USD '000</i>	2018/19	2018/19	2017/18	2017/18
Derivatives and financial instruments	8,586	10,636	25,366	-3,037
Deposits and other debt	-	- 133	-385	-616
<b>Total amounts outstanding</b>	<b>8,586</b>	<b>10,503</b>	<b>24,981</b>	<b>-3,653</b>
Margin call issued on the basis of the exposure on 30 April	-	-	1,400	-

### 15 FEE TO AUDITORS APPOINTED AT THE GENERAL MEETING

Fee to auditors appointed at the general meeting is stated in the Annual Report of Bunker Holding A/S.

### 16 ACCOUNTING POLICIES

#### *Basis of Preparation*

The Annual Report of A/S Global Risk Management Ltd. Fondsmæglerselskab for 2018/19 has been prepared in accordance with the Danish Financial Business Act.

The Company has chosen to insert Derivatives and financial instruments as a balance sheet item in assets and liabilities comprising trade related balance items subject to netting and offsetting.

The expected loss model for financial assets measured at amortised cost has been implemented. In the balance sheet of the Company this is only relevant for bank deposits.

The Annual Report for 2018/19 is presented in USD thousands.

## Notes to the Financial Statement

### 16 ACCOUNTING POLICIES (CONTINUED)

#### *Adjustment of Figures for Comparison*

With the commencement of licensed investment firm activities in GRM on 3 of January 2018 the transfer of net assets from A/S Global Risk Management Ltd Holding was performed with pooling of interests and retrospective effect as of 1 May 2017. Thus, the 2017/18 figures for comparison in the income statement and 2017/18 and 2016/17 figures for comparison in the financial highlights have been adjusted to reflect this.

The method used to allocate the result between the two companies over the financial years 2017/18 and 2016/17 figures for comparison is:

For comparison in the financial years 2017/18 and 2016/17, the net trading income is allocated in accordance with which client and related hedges that are contractually novated into the investment firm in order to comply with the MIFID regulation. Accordingly, the part of the total assets and liabilities for comparison that are derived from trades with the client base is disclosed in the figures for comparison for 2017/18 and 2016/17.

The allocation of 2017/18 and 2016/17 staff and administrative expenses are aligned with the overall estimation of the investment firm activities draw on resources available for the Global Risk Management companies with the key estimation parameter being the devotion of management and employee time to the investment firm activities.

Expenses for 2017/18 and 2016/17 that could be allocated directly to one client or one group of clients transferred to the investment firm have been fully allocated to GRM. This also applies for other expenses that are directly associated with investment firm activities or preparations.

#### *Recognition and Measurement*

Value adjustments of financial assets and liabilities measured at fair value or amortised cost, are recognised in the income statement. Moreover, all expenses incurred to achieve the earnings for the year are 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.

Financial assets and liabilities are initially measured at fair value. Other assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.





## Notes to the Financial Statement

### 16 ACCOUNTING POLICIES (CONTINUED)

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 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 functional currency. All other currencies are regarded as foreign currencies.

#### *Translation Policies*

Transactions in foreign currencies are translated during the year 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 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.

#### *Derivatives and Financial Instruments*

Derivative financial instruments are initially recognised in the balance sheet at fair value and are subsequently remeasured at their fair values. Any difference between the transaction price and fair value determined when applying a valuation model, which is not solely based on observable market data is deferred and recognised over the term of the contract.

Derivative financial assets and liabilities and related collateral payable and receivable are presented net if the Company has both a current legally enforceable right to set off the recognised amounts and intends to settle net. Net amounts of positive and negative fair values of derivative financial instruments are presented in separate line items in the balance sheet.

Fair value of OTC oil derivative contracts is determined on the basis of generally applied forward and option pricing models. Inputs to the models are to the extent possible determined on the basis of observable prices for the underlying products. For contracts where the most significant input is unobservable, management estimates the input based on recent transactions, transactions with similar products etc.

Changes in the fair values of derivative financial instruments are recognised in the income statement.

## Notes to the Financial Statement

### 16 ACCOUNTING POLICIES (CONTINUED)

The contracts entered into as of 30 April 2019 comprise commodity derivatives and currency forwards for the purpose of hedging trades with clients.

Derivatives and financial instruments are netted end offset fair value of unrealised traded instruments, receivables and payables from settled financial instruments and exchanged collateral and are included.

#### *Income Statement Net Trading Income*

Net trading income includes fair value gains and losses net related to commodity derivatives.

#### *Staff and Administrative Expenses*

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

Administrative expenses include expenses for sales, administration as well as the running of office facilities, etc.

#### *Interest Income and Expenses*

Interest income and expenses comprise interest, financial expenses related to guarantees and committed facilities, realised and unrealised exchange adjustments, price adjustment of securities as well as extra payment and repayment under the on-account taxation scheme.

#### *Tax on Profit/Loss for the Year*

Tax for the year consists of current tax for the year. The tax attributable to the profit for the year is 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 jointly taxed enterprises have adopted the on-account taxation scheme.

#### *Balance Sheet Receivables and Payables with Credit Institutes*

Receivables and payables with credit institutes are deposits and overdraft facilities with credit institutes, that are initially recognised at fair value and subsequently measure at amortised cost.

#### *Prepayments*

Prepayments comprise prepaid expenses paid in respect of expenses in subsequent years. Prepayments are measured at historical cost price.

## Notes to the Financial Statement

### 16 ACCOUNTING POLICIES (CONTINUED)

#### *Current Tax Liabilities*

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 and 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.

#### *Deposits and Other Debt*

Deposits and other debt comprise fixed term loans with the parent company, Bunker Holding A/S are measured at amortised cost price.

#### *Other Liabilities*

Other liabilities are measured at net realisable value. Other liabilities comprise expenses due the next financial year as well as employee related debt.

#### *Definition of Financial Ratios*

Own funds as a percentage of minimum capital requirements	=	$\frac{\text{Own funds}}{\text{Minimum capital requirement}}$
Solvency ratio	=	$\frac{\text{Own funds}}{\text{Total risk exposure amount}}$
Tier 1 capital ratio	=	$\frac{\text{Tier 1 capital}}{\text{Total risk exposure amount}}$
Return on equity before tax	=	$\frac{\text{Result before tax}}{\text{Average Equity}}$
Return on equity after tax	=	$\frac{\text{Net result}}{\text{Average Equity}}$
Income/cost ratio	=	$\frac{\text{Operating income}}{\text{Operating expenses}}$
Own funds as a percentage of initial capital requirement	=	$\frac{\text{Own funds}}{\text{Initial capital requirement}}$
Own funds as a percentage of 25 % of fixed expenses	=	$\frac{\text{Own funds}}{\text{25 \% of fixed expenses}}$
Own funds as a percentage of individual capital requirement	=	$\frac{\text{Own funds}}{\text{Individual capital requirement}}$



## Management's Statement

The Board of Directors and Executive Board have today considered and adopted the Annual Report of A/S Global Risk Management Ltd. Fondsmæglerselskab for the financial year 1 May 2018 – 30 April 2019.

The Annual Report has been prepared in accordance with the Danish Financial Business Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 30 April 2019 of the Company and of the results of the Company's operations for 2018/19.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Middelfart, 26 June 2019

Executive Board

**Hans Erik Christensen**  
CEO

Board of Directors

**Keld Rosenbæk Demant**  
Chairman

**Jacob Bro Eriksen**

**Kaj Damgaard**

**Michael Krabbe**

## Independent Auditor's Report

To the Shareholders of A/S Global Risk Management Ltd. Fondsmæglerselskab

### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 April 2019, and of the results of the Company's operations for the financial year 1 May 2018 – 30 April 2019 in accordance with the Danish Financial Business Act.

We have audited the financial statements of A/S Global Risk Management Ltd. Fondsmæglerselskab for the financial year 1 May 2018 – 30 April 2019, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

### **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' 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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.

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 Business Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Business Act. We did not identify any material misstatement in Management's Review.

### **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 Business 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.



## Independent Auditor's Report

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.

As part of an audit conducted in accordance with ISAs 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 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.



## Independent Auditor's Report

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.

Trekantomraadet, 26 June 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Jan Bunk Harbo Larsen

State Authorised Public Accountant

mne30224



Lasse Berg

State Authorised Public Accountant

mne35811