ANNUAL REPORT
2015/16

Dan-Bunkering

A/S Dan-Bunkering Ltd.

VAT no. 67 22 69 17

The Annual Report was presented and adopted at the Annual General Meeting on 4 July 2016

Michael Keldsen

Chairman of the meeting: Michael Keldsen

Financial year: 1 May 2015 – 30 April 2016
Strandvejen 5, DK-5500 Middelfart

Contents

Management's Statement

The Executive and Supervisory Boards have today presented and adopted the Annual Report of A/S Dan-Bunkering Ltd. for the financial year 1 May 2015 – 30 April 2016.

The Annual Report was prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Parent Company Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position of the Parent Company and the Group at 30 April 2016 and of the results of the Parent Company and Group operations and consolidated cash flows for 2015/16.

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

Middelfart, 4 July 2016

Executive Board

Henrik Zederkof

Supervisory Board

Keld Rosenbæk Demant Chairman	Jesper Klokker Hansen	Henrik Zederkof

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 4 July 2016

Chairman

Independent Auditor's Report

To the Shareholders of A/S Dan-Bunkering Ltd.

Report on Consolidated Financial Statements and Parent Company Financial Statements

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of A/S Dan-Bunkering Ltd. for the financial year 1 May 2015 – 30 April 2016, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement, notes and summary of significant accounting policies for both the Group and the Parent Company. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility
Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements in accordance with Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements and the Parent Company Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements. The audit procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Consolidated Financial Statements and the Parent Company Financial Statements.

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

The audit has not resulted in any qualification.

Independent Auditor's Report

Opinion
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Company at 30 April 2016 and of the results of the Group and Company operations and cash flows for the financial year 1 May 2015 – 30 April 2016 in accordance with the Danish Financial Statements Act.

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Consolidated Financial Statements and the Parent Company Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Consolidated Financial Statements and the Parent Company Financial Statements.

Trekantområdet, 4 July 2016
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jan Bunk Harbo Larsen
State Authorised Public Accountant

Lasse Berg
State Authorised Public Accountant

Management's Review

Company Information

The Company	A/S Dan-Bunkering Ltd. Strandvejen 5 DK-5500 Middelfart
	Telephone: +45 64 41 54 01 Facsimile: +45 64 41 53 01 E-mail: Middelfart@dan-bunkering.com
	CVR No: 67 22 69 17 Financial year: 1 May - 30 April Municipality of reg. office: Middelfart
Supervisory Board	Keld Rosenbæk Demant, Chairman Jesper Klokker Hansen Henrik Zederkof
Executive Board	Henrik Zederkof
Auditors	PricewaterhouseCoopers Herredsvej 32 DK-7100 Vejle

Management's Review

Financial Highlights of the Group

Seen over a five-year period, the development of the Group is described by the following financial highlights:

	2015/16	2014/15	2013/14	2012/13	2011/12
	USD '000	USD '000	USD '000	USD '000	USD '000
Profit					
Revenue	1.244.783	1.759.196	2.445.288	1.837.730	2.016.722
Gross profit	50.829	63.009	56.746	53.260	51.239
Profit before financials	10.710	18.906	7.166	12.744	14.926
Net financials	(1.864)	(2.539)	(4.631)	(1.938)	(1.527)
Profit before tax	8.846	16.367	2.535	10.806	13.399
Net profit for the year	7.715	10.208	2.122	8.579	10.757
Balance sheet					
Balance sheet total	146.807	166.502	316.880	231.670	185.266
Equity	35.813	41.547	31.119	36.319	38.572
Cash flows					
Cash flows from:					
- operating activities	10.512	46.593	(16.146)	(18.176)	(9.234)
- investing activities	(166)	(133)	(1.177)	(247)	(455)
hereof investment in property, plant and equipment and intangible assets	(79)	(275)	(1.297)	(230)	(408)
- financing activities	(8.956)	(42.583)	48.568	(8.151)	(9.153)
Change in cash and cash equivalents for the year	1.391	3.877	31.245	(26.574)	(18.841)
Ratios (%)					
Gross margin	4,1%	3,6%	2,3%	2,9%	2,5%
Profit margin	0,9%	1,1%	0,3%	0,7%	0,7%
Return on equity	19,9%	28,1%	6,3%	22,9%	23,9%
Liquidity ratio	1,31	1,32	1,10	1,18	1,25
Solvency ratio	24,4%	25,0%	9,8%	15,7%	20,8%
Number of employees	202	192	166	121	118

For definitions, see under accounting policies.

Review

Activities

The main activities of the Group comprise the purchase, sale, mediation and supply of bunkers and lubricating oil for ships as well as various naturally related services. Trade takes place on a worldwide basis with suppliers and customers within the shipping industry. The Group is represented by own offices in Denmark, Russia, China, Singapore, Monaco, the US, Dubai, Chile, Uruguay and Colombia.

Development in the year

Earnings before tax for the Dan-Bunkering Group amounted to USD 8.8 million. The equity amounted at year-end to USD 35.8 million corresponding to 24% of the total assets.

Revenues fell from USD 1,759 million to 1,245 million year-over-year. The lower revenues was merely a consequence of the lower average oil price seen during the year as the total number of tons of bunkers handled by the Group saw a growth of 26% from last year.

During the year new business and new office in Colombia has been established and already in their first year of operation they have managed to contribute positively to the profits of the Group. In total, the Group is now represented worldwide via 14 offices in 10 countries.
In all aspects the Group has a very strong focus on risk management and has strong procedures and culture for observing risks and mitigating risks. As an example, the falling oil price during the last two years has not influenced the earnings of the Group as market risks are hedged. Position taking is not a source of income for the Dan-Bunkering Group.

During the year the cash flows have been very positive despite the growing volume sold. The increased volume has requested additional working capital but the falling oil prices have been counter balancing the effect of the volume growth.

The Group maintained a very high nominal equity and the solvency ratio ended at 24% of the total assets end of the year. Due to this continued solid and robust financial position of the Group we maintain a very strong position with our suppliers in terms of credits. Despite the latest year’s turmoil in the bunker industry, the Dan-Bunkering Group has continued holding substantial credit lines with more suppliers. Dan-Bunkering participates in a loan agreement through its parent company. In July 2015 a new three year syndicated loan facility was entered into with a group of eight international banks, of which the Group has worked with some for more than 25 years. The strong credit worthiness of our Group is underlined by the fact that this long term committed loan facility is achieved on a non-secured basis meaning that we, opposite the general tendency in the industry, do not pledge our trade receivables to the banks.

Review

Strategy and objective

The Dan-Bunkering Group's vision is to be a global and leading supplier of bunkers, lubricating oil and related products and services.

Dan-Bunkering will on a continuous basis develop its busi¬ness in line with the customers' wishes and requirements. The Group wants to be known as a safe choice for its customers and for its high quality in a wide sense, and deliveries must follow the highest international standards as regards both trade and quality.

The Group's strategy plan contains clear objectives for Dan-Bunkering as a whole and for the individual enterprises of the Group to support growth in activities and earnings. Current follow-up is made on the realisation of the goals set.

Financial and operational risks

Foreign exchange risks
The Group hedges against commercial foreign exchange exposure on a current basis and moreover assesses the need to hedge against foreign exchange exposure of future cash flows. Hedging mainly takes place by means of forward exchange contracts. Future expected cash flows are hedged for a maximum period of the first succeeding 12 months.

Credit risks
The Group is exposed to credit risk relating to its customers, and all customers and other business partners are credit rated regularly in accordance with the Group's policy for assuming credit risks. Thorough internal procedures are in place to minimise the credit risks and the international conventions for obtaining maritime lien for bunker deliveries mitigates the negative impact from defaulting payers. In addition, the Group insures the credit risk on certain receivables where considered adequate due to the credit worthiness of the counter party or the size of the credit exposure.

Interest rate risks
The Group's interest-bearing debt is mainly based on variable interest rates, and therefore earnings are affected by any changes in the level of interest. The Group monitors and assesses on a current basis the financial consequences of interest rate changes and hedges the interest rate risk if considered adequate.

Oil price risk
The Group's trading activities are back-to-back trading, where sale and purchase are done simultaneously and thus without any open positions. As for the physical activities, the Group possesses stocks but as the oil price risk is hedged, the Group has almost no exposure to deviations in the oil price. When the Group enters into fixed price agreements the oil price exposure from such contracts is also hedged to reduce the price risk.

Review

Trading risks
The Group's trading activities are widely spread on the various shipping segments and no single customer or supplier has a significant part of the Group's sales or purchases. Deliveries take place widely spread over the world and as such geographical or political uncertainty in specific parts of the world should not affect the Group's activities significantly.

Corporate social responsibility

(cf. Section 99 a of the Danish Financial Statements Act)

The Group's policies for corporate social responsibility are disclosed in the Financial Statement of A/S United Shipping & Trading Company for 2015/16.

Report on Gender Composition in Management
(cf. Section 99 b in the Danish Financial Statements Act)

Currently the Board of Directors in A/S Dan-Bunkering consists of three members of which zero is female. In 2015/16 all members of the board were re-elected and therefore no increase in female members of the board was achieved. It is our ambition to have one female member among the members of the Board of Directors elected on the general assembly no later than 2020.

Compliance

At Dan-Bunkering Group, we know that every lasting business relationship is based on mutual trust and respect. We also know that trust is earned and should not be taken for granted. Keeping promises and meeting expectations are keys to building a trustful relation where two parties can rely on each other.

Quality, proactivity and attention to detail must characterise everything we do. This means that we always strive to create value for our customers and suppliers in any way that we can, and that we aim to avoid unnecessary bureaucracy and obsolete routines. We set high standards for our employees and expect initiative from all, while at the same time displaying a high degree of humanity and compassion.

Competition & Anti-corruption
It is a fundamental principle that Dan-Bunkering Group must act in full compliance with applicable competition laws and anti-corruption laws. Due to the global nature of our activities, it is imperative that Dan-Bunkering Group complies with all relevant rules and legislation in those countries where the Group operates.

Dan-Bunkering Group's activities are subject to a number of anti-corruption laws, i.a. the Danish Criminal Code, the UK law against corruption (the UK Bribery Act) and the American anti-corruption law (the U.S. Foreign Corrupt Practices Act).

The Group has introduced a compliance program to ensure that the Group has adequate procedures to prevent fraudulent behavior among individuals within the Group or persons associated with the Group.

Review

Compliance Programs
It is Dan-Bunkering Group's policy that all board members, managers and employees must have a general understanding of competition and anti-corruption laws and possesses the tools and knowledge necessary to ensure that Dan-Bunkering Group acts in full compliance herewith. Furthermore, it is our policy that all board members, managers and employees must demonstrate proper business ethics and code of conduct.

To realise this goal, Dan-Bunkering Group strengthens the knowledge of competition law and anti-corruption law by having a so-called 'competition law compliance program' and an 'anti-corruption law compliance program'. The programs each consist of a compliance manual (available on the company intranet) and recurring training of relevant managers and employees in competition-law and anti-corruption law matters. Furthermore, each employee is to complete a compliance e-learning once every year.

Dan-Bunkering Group's management assists in ensuring that we act in compliance with competition law and anti-corruption law. Employees must always report to management both in clear-cut cases and cases of doubt. Employees are encouraged to consult management with any questions or grey-zone matters.

Expectations for the year ahead

The Group's level of activity, revenues and earnings are affected by a number of external factors, such as the development on the global freight market, the oil price development and the general structure of the oil market.

In the financial year 2016/17, management expects further growth in volumes sold, whilst a small decline is expected in earnings due to the current market conditions with fierce competition amongst the market participants due to the imbalance in supply/demand.

Subsequent events

No significant events affecting the assessment of the Annual Report have occurred after the balance sheet date.

Consolidated Income Statement 1 May - 30 April

	Note	2015/16	2014/15
		USD ´000	USD ´000
Revenue	1	**1.244.783**	**1.759.196**
Direct expenses		1.193.954	1.696.186
Gross profit		**50.829**	**63.009**
Other operating income		681	3.982
Other external expenses		12.918	16.377
Staff expenses	2	27.589	30.965
Profit before amortisation and depreciation		**11.003**	**19.650**
Amortisation, depreciation and impairment losses	3	293	744
Profit before financial income and expenses		**10.710**	**18.906**
Financial income	4	2.360	4.601
Financial expenses	5	4.224	7.140
Profit before tax		**8.846**	**16.367**
Corporation tax	6	1.131	4.042
Profit before minority interests		**7.715**	**12.325**
Minority interests		0	2.117
Net profit for the year		**7.715**	**10.208**

Consolidated Balance Sheet at 30 April

Assets

	Note	2016	2015
		USD ´000	USD ´000
Land and buildings		545	551
Other fixtures and fittings, tools and equipment		414	594
Leasehold improvements		88	153
Property, plant and equipment	7	**1.047**	**1.298**
Deposit		547	444
Securities		15	15
Fixed asset investments	8	**562**	**458**
Fixed assets		**1.609**	**1.756**
Inventories		**0**	**107**
Trade receivables		125.379	145.801
Receivables from group enterprises		6.446	6.145
Minority interests	9	0	122
Deferred tax asset	10	103	3.097
Other receivables		1.678	5.048
Corporation tax receivable		2.311	219
Prepayments		3.806	838
Receivables		**139.723**	**161.269**
Securities		**8**	**9**
Cash at bank and in hand		**5.467**	**3.360**
Current assets		**145.198**	**164.745**
Total assets		**146.807**	**166.502**

Consolidated Balance Sheet at 30 April

Liabilities and equity

	Note	2016	2015
		USD ´000	USD ´000
Share capital		2.672	2.672
Retained earnings		23.141	25.875
Proposed dividend for the year		10.000	13.000
Equity	11	**35.813**	**41.547**
Deferred tax	10	8	24
Provisions		**8**	**24**
Credit institutions		2.369	1.653
Trade payables		39.323	53.589
Payables to group enterprises		25.393	27.611
Payables to group enterprises, special-term loans		33.527	29.483
Corporation tax		248	1.470
Other payables		10.126	11.125
Short-term debt		**110.986**	**124.931**
Debt		**110.986**	**124.931**
Total liabilities and equity		**146.807**	**166.502**

Security and contingent liabilities	12
Related parties	13
Fee to auditors appointed at the general meeting	14

Statement of Changes in Equity

2015/16:

	Share capital	Retained earnings	Proposed dividend	Total
	USD ´000	USD ´000	USD ´000	USD ´000
Equity at 1 May	2.672	25.875	13.000	41.547
Dividend paid	0	0	(13.000)	(13.000)
Net profit for the year	0	(2.285)	10.000	7.715
Fair value adjustment of derivative financial instruments	0	(471)	0	(471)
Exchange adjustments	0	22	0	22
Equity at 30 April	**2.672**	**23.141**	**10.000**	**35.813**

2014/15:

	Share capital	Retained earnings	Proposed dividend	Total
	USD ´000	USD ´000	USD ´000	USD ´000
Equity at 1 May	2.672	28.447	0	31.119
Dividend paid	0	0	13.000	13.000
Net profit for the year	0	(2.793)	0	(2.793)
Fair value adjustment of derivative				0
financial instruments	0	471	0	471
Exchange adjustments	0	(250)	0	(250)
Equity at 30 April	**2.672**	**25.875**	**13.000**	**41.547**

Consolidated Cash Flow Statement 1 May - 30 April

	2015/16	2014/15
	USD´000	USD´000
Profit for the year before tax	8.846	16.367
Amortisation and depreciation for the year	293	743
Changes in receivables	20.522	103.677
Changes in inventories	107	40.997
Changes in other short-term debt	(17.483)	(110.390)
Other adjustments	(307)	124
Cash flows from ordinary activities	11.978	51.518
Corporation tax paid	(1.466)	(4.925)
Cash flows from operating activities	**10.512**	**46.593**
Purchase of property, plant and equipment	(79)	(275)
Sale of property, plant and equipment	16	134
Fixed asset investments made	(103)	8
Cash flows from investing activities	**(166)**	**(133)**
Changes in special-term loans	4.044	(42.583)
Dividend paid	(13.000)	0
Cash flows from financing activities	**(8.956)**	**(42.583)**
Change in cash and cash equivalents	**1.391**	**3.877**
Cash and cash equivalents at 1 May	1.716	(2.161)
Cash and cash equivalents at 30 April	**3.106**	**1.716**

Notes to Consolidated Annual Report

1 Segment information

The Group's activities are considered one segment.

2 Staff expenses

	2015/16	2014/15
	USD '000	USD '000
Wages and salaries	25.378	28.937
Pensions	1.296	1.151
Other social security expenses	915	878
	27.589	**30.965**
Average number of employees	202	192

3 Amortisation, depreciation and impairment losses

Buildings	6	6
Fixtures and fittings, tools and equipment	224	681
Leasehold improvements	63	57
	293	**744**

4 Financial income

Hereof intercompany interest	**303**	**243**

5 Financial expenses

Hereof intercompany interest	**1.787**	**3.498**

Notes to Consolidated Annual Report

		2015/16	2014/15
		USD '000	USD '000
6	**Corporation tax**		
	Current tax for the year	1.346	3.428
	Change in tax relating to previous years	(3.193)	(2.511)
	Change of deferred tax	2.978	3.126
		1.131	**4.042**

7	**Property, plant and equipment**	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements
		USD '000	USD '000	USD '000
	Cost at 1 May	578	1.979	368
	Exchange adjustment	0	2	0
	Additions for the year	0	46	33
	Disposals for the year	0	(505)	(22)
	Cost at 30 April	578	1.522	379
	Depreciation at 1 May	27	1.370	230
	Exchange adjustment	0	2	0
	Depreciation for the year	6	224	63
	Reversed depreciation of disposals for the year	0	(488)	(3)
	Depreciation at 30 April	33	1.108	291
	Carrying amount at 30 April	**545**	**414**	**88**

Notes to Consolidated Annual Report

8 Fixed asset investments

	Deposit	Securities
	USD '000	USD '000
Cost at 1 May	444	15
Exchange adjustment	0	0
Additions and disposals for the year	103	0
Cost at 30 April	547	15
Carrying amount at 30 April	**547**	**15**

9 Minority interests

	2016	2015
	USD '000	USD '000
Minority interest at 1 May	(122)	(2.078)
Additions and disposals for the year	122	(161)
Minority interests profit	0	2.118
	0	**(122)**

10 Deferred tax

Deferred tax at 1 May	(3.073)	(6.199)
Change of deferred tax	2.978	3.126
	(95)	**(3.073)**
which is broken down as follows:		
Deferred tax asset (assets)	(103)	(3.097)
Deferred tax (liabilities)	8	24
Deferred tax at 30 April	**(95)**	**(3.073)**

Deferred tax relates to intangible assets, property, plant and equipment, trade receivables and tax loss carry-forwards.

Notes to Consolidated Annual Report

11 Equity

The share capital consists of 1,500 shares of DKK 10,000 (equivalent to USD 1,781.2) at the historical exchange rate of 5.6141 to USD 2,672k.

12 Contingent liabilities

A/S Dan-Bunkering Ltd. is an obligor in respect of the bank loans of the group companies. As at 30 April 2016, these obligations were limited to USD 80,067k, which is equal to A/S Dan-Bunkering Ltd.'s equity and A/S Dan-Bunkering Ltd.'s and its subsidiary’s intra-group liability to Bunker Holding A/S as at 30 April 2016.

In the event that these obligations in respect of the bank loans of the group companies materialize, Bunker Holding A/S will cancel any claim it may have against A/S Dan-Bunkering Ltd. in an amount equaling the part of the obligations which relate to A/S Dan-Bunkering Ltd. and its subsidiary’s intra-group liability to Bunker Holding A/S.

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.

	2016	2015
	USD ´000	USD ´000
Lease obligations:		
Lease and rent obligations	3.672	2.652
Hereof group enterprises	421	412
Guarantees:		
Employee bonds, through bank	0	212
Payment guarantee, through bank	8	8
	8	**220**

Notes to Consolidated Annual Report

13 Related parties

Related parties comprise the Supervisory Board, the Executive Board and senior executives in the group enterprises as well as companies in which these persons have significant interests.

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

Controlling interest is exercised through the Company's 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.

14 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.

Parent Company Income Statement 1 May - 30 April

	Note	2015/16	2014/15
		USD ´000	USD ´000
Revenue	1	518.269	1.190.750
Direct expenses		496.225	1.154.859
Gross profit		**22.044**	**35.891**
Other operating income		937	2.202
Other external expenses		1.744	13.946
Staff expenses	2	19.052	23.094
Profit before depreciation		**2.185**	**1.053**
Depreciation	6	95	140
Profit before financial income and expenses		**2.090**	**913**
Income from investments in subsidiaries	7	6.433	12.350
Financial income	3	1.207	2.980
Financial expenses	4	2.013	4.186
Profit before tax		**7.716**	**12.058**
Corporation tax	5	1	1.851
Net profit for the year		**7.715**	**10.207**

Distribution of profit

Proposed distribution of profit

Proposed dividend	10.000	13.000
Reserve for net revaluation	6.433	12.350
Retained earnings	(8.718)	(15.143)
	7.715	**10.207**

Parent Company Balance Sheet at 30 April

Assets

	Note	2016	2015
		USD ´000	USD ´000
Land and buildings		545	551
Other fixtures and fittings, tools and equipment		233	309
Leasehold improvements		2	7
Property, plant and equipment	6	**780**	**867**
Deposit		401	444
Securities		15	15
Investments in subsidiaries		19.659	17.703
Fixed asset investments	7	**20.075**	**18.162**
Fixed assets		**20.855**	**19.029**
Trade receivables		33.600	60.413
Receivables from group enterprises		3.247	7.213
Receivables from goup enterprises, special-term deposits		10.728	9.554
Deferred tax asset	10	101	3.097
Corporation tax		1.948	0
Other receivables		1.211	3.876
Prepayments	8	3.685	805
Receivables		**54.520**	**84.958**
Securities		**8**	**9**
Cash at bank and in hand		**503**	**598**
Current assets		**55.031**	**85.565**
Total assets		**75.886**	**104.594**

Parent Company Balance Sheet at 30 April

Liabilities and equity

	Note	2016	2015
		USD ´000	USD ´000
Share capital		2.672	2.672
Reserve for net revaluation		21.303	14.848
Retained earnings		1.838	11.027
Proposed dividend for the year		10.000	13.000
Equity	9	**35.813**	**41.547**
Credit institutions		340	0
Trade payables		16.680	35.043
Payables to group enterprises		15.892	18.209
Corporation tax		0	1.103
Other payables		7.161	8.692
Short-term debt		**40.073**	**63.047**
Total liabilities and equity		**75.886**	**104.594**
Contingent liabilities	11		
Related parties	12		
Fee to auditors appointed at the general meeting	13		

Statement of Changes in Equity

2015/16:	Share capital	Reserve for net revaluation	Retained earnings	Proposed dividend	Total
	USD ´000	USD ´000	USD ´000	USD ´000	USD ´000
Equity at 1 May	2.672	14.848	11.027	13.000	41.547
Dividend paid	0	0	0	(13.000)	(13.000)
Net profit for the year	0	6.433	(8.718)	10.000	7.715
Fair value adjustment of derivative financial instruments	0	0	(471)	0	(471)
Exchange adjustment	0	22	0	0	22
Equity at 30 April	**2.672**	**21.303**	**1.838**	**10.000**	**35.813**

2014/15:	Share capital	Reserve for net revaluation	Retained earnings	Proposed dividend	Total
	USD ´000	USD ´000	USD ´000	USD ´000	USD ´000
Equity at 1 May	2.672	4.749	23.698	0	31.119
Dividend paid	0	(2.000)	2.000	13.000	13.000
Net profit for the year	0	12.350	(15.143)	0	(2.793)
Fair value adjustment of derivative financial instruments	0	0	472	0	472
Exchange adjustment	0	(251)	0	0	(251)
Equity at 30 April	**2.672**	**14.848**	**11.027**	**13.000**	**41.547**

Cash Flow Statement 1 May - 30 April

	2015/16	2014/15
	USD ´000	USD ´000
Profit for the year before tax	7.716	12.058
Depreciation for the year	95	140
Profit/loss on investments	(6.433)	(12.350)
Changes in receivables	30.564	89.842
Changes in trade payables, other payables, etc	(22.211)	(59.870)
Other adjustments	(542)	344
Cash flows from ordinary activities	9.189	30.164
Corporation tax paid	0	(2.008)
Cash flows from operating activities	**9.189**	**28.156**
Purchase of property, plant and equipment	(7)	(123)
Sale of property, plant and equipment	13	134
Fixed asset investments made	43	8
Cash flows from investing activities	**49**	**19**
Changes in special-term loans	(1.173)	(30.329)
Dividend received from subsidiaries	4.500	2.000
Dividend paid	(13.000)	0
Cash flows from financing activities	**(9.673)**	**(28.329)**
Change in cash and cash equivalents	**(435)**	**(154)**
Cash and cash equivalents at 1 May	606	760
Cash and cash equivalents at 30 April	**171**	**606**

Notes to Parent Company Annual Report

1 Segment information

The Company's activities are considered one segment.

2 Staff expenses

	2015/16	2014/15
	USD ´000	USD ´000
Wages and salaries	18.070	22.052
Pensions	774	808
Other social security expenses	208	234
	19.052	**23.094**

With reference to section 98 B(3) of the Danish Financial Statements Act, remuneration to the Supervisory and Executive Boards has not been disclosed.

Average number of employees	**126**	**132**

3 Financial income

Hereof intercompany interest income	**617**	**428**

4 Financial expenses

Hereof intercompany interest expenses	**246**	**1.360**

5 Corporation tax

Current tax for the year	219	1.270
Adjustment of tax previous years	(222)	(140)
Change of deferred tax	4	720
	1	**1.850**
which is broken down as follows:		
Tax on profit for the year	219	1.270
Adjustment of tax previous years	(222)	(140)
Change of deferred tax	4	720
	1	**1.850**

	Land and buildings	Leasehold improvements	Other fixtures and fittings, tools and equipment
6 Property, plant and equipment	USD ´000	USD ´000	USD ´000
Cost at 1 May	578	50	706
Additions for the year	0	0	7
Cost at 30 April	578	50	713
Depreciation at 1 May	27	43	396
Depreciation for the year	6	5	84
Depreciation at 30 April	33	48	479
Carrying amount at 30 April	**545**	**2**	**233**

	Deposit	Securities	Investments in subsidiaries
7 Fixed asset investments	USD ´000	USD ´000	USD ´000
Cost at 1 May	444	15	2.855
Additions and disposals for the year	(43)	0	0
Cost at 30 April	401	15	2.855
Value adjustments at 1 May	0	0	14.849
Exchange adjustment	0	0	22
Share of profit for the year after tax	0	0	6.433
Dividend	0	0	(4.500)
Value adjustments at 30 April	**0**	**0**	**16.804**
Carrying amount at 30 April	**401**	**15**	**19.659**

Notes to Parent Company Annual Report

7 Fixed asset investments (continued)

Investments in subsidiaries comprise:

Place of reg. office	Name	Ownership share
Monaco	Dan-Bunkering (Monaco) S.A.M.	100%
Texas, USA	Dan-Bunkering (America) Inc.	100%
UAE, Dubai	Dan-Bunkering (Middle East) DMCC	100%
Singapore	Dan-Bunkering (Singapore) Pte. Ltd.	100%

8 Prepayments

Prepayments comprise prepaid expenses relating to rent, consultant assistance, fees, subscriptions, etc.

9 Equity

The share capital consists of 1,500 shares of DKK 10,000 (equivalent USD 1,781.2) at the historical exchange rate of 5.6141 to USD 2,672k.

10 Deferred tax

	2016	2015
	USD ´000	USD ´000
Deferred tax at 1 May	(3.097)	(6.228)
Adjustment of deferred tax previous years	2.992	2.199
Change for the year	4	755
Adjustment of tax rate	0	176
Deferred tax at 30 April	**(101)**	**(3.097)**

Deferred tax relates to property, plant and equipment and tax loss carry-forward.

Notes to Parent Company Annual Report

11 Contingent liabilities

A/S Dan-Bunkering Ltd. is an obligor in respect of the bank loans of the group companies. As at 30 April 2016, these obligations were limited to USD 80,067k, which is equal to A/S Dan-Bunkering Ltd.'s equity and A/S Dan-Bunkering Ltd.'s and its subsidiary's intra-group liability to Bunker Holding A/S as at 30 April 2016.

In the event that these obligations in respect of the bank loans of the group companies materialize, Bunker Holding A/S will cancel any claim it may have against A/S Dan-Bunkering Ltd. in an amount equaling the part of the obligations which relate to A/S Dan-Bunkering Ltd. and its subsidiary's intra-group liability to Bunker Holding A/S.

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.

	2016	2015
	USD ´000	USD ´000
Lease obligations:		
The Company has entered into lease agreements which are non-terminable until September 2021. Monthly rent amounts to	104	112
Hereof group enterprises	77	79
Guarantees:		
Employee bonds, through bank	0	212
Payment guarantee, through bank	8	8
	8	**220**

Notes to Parent Company Annual Report

12 Related parties

Related parties comprise the Supervisory Board, the Executive Board and senior executives in the group enterprises as well as companies in which these persons have significant interests.

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

Controlling interest is exercised through the Company's 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.

13 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.

Accounting Policies

Basis of Preparation

The Annual Report of A/S Dan-Bunkering Ltd. for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Annual Report for 2015/16 is presented in USD 1,000.

The accounting policies applied remain unchanged from the previous years.

Recognition and measurement
The Financial Statements have been prepared based on the historic cost principle.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost is recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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 Group, 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 Group, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

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 profits, losses and risks occurring before the presentation of the Annual Report which relate to affairs and conditions existing at the balance sheet date.

US dollar is used as the measurement currency. All other currencies are regarded as foreign currencies.

Accounting Policies

Basis of consolidation
The Consolidated Financial Statements comprise the Parent Company, A/S Dan-Bunkering Ltd., and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or otherwise exercises control.

On consolidation, items of a uniform nature are combined. Elimination is made of inter-company income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

On acquisition of subsidiaries, the difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities having been adjusted to fair value (the purchase method). This includes allowing for any restructuring provisions determined in relation to the enterprise acquired. Any remaining positive differences are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straight-line basis over its estimated useful life, but not exceeding 20 years. Any remaining negative differences are recognised in deferred income in the balance sheet as negative goodwill. Amounts attributable to expected losses or expenses are recognised as income in the income statement as the affairs and conditions to which the amounts relate materialise. Negative goodwill not related to expected losses or expenses is recognised at an amount equal to the fair value of non-monetary assets in the income statement over the average useful life of the non-monetary assets.

Positive and negative differences from enterprises acquired may, due to changes to the recognition and measurement of net assets, be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Presentation currency
The Financial Statements for 2015/16 have been presented in USD. At 30 April 2016 the year-end exchange rate for USD/DKK was 6.53. The comparative figures are translated at the historical year-end exchange rate which as of 30 April 2015 was USD/DKK 6.65.

Minority interests
On statement of group results and group equity, the shares of results and equity of subsidiaries attributable to minority interests are recognised as separate items in the income statement and the balance sheet.

Accounting Policies

Minority interests (continued)
In case of subsequent changes in minority interests, the changed shares are recognised in results as from the time of the change.

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; however, see the paragraph on hedge accounting.

Income statements of foreign subsidiaries that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Derivative financial instruments
Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are recognised in “Other receivables” and “Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting
Changes in the fair values of derivative financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Accounting Policies

Hedge accounting (continued)
Changes in the fair values of financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Segment information
Segment information on activities is presented.

Income Statement

Revenue
Revenue comprises the sale of goods and services and is recognised based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Revenue also includes income from the sale of financial derivatives in respect of crude oil and oil-related products at the time when the contract is concluded.

Direct expenses
Direct expenses include expenses for the purchase of goods for resale.

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

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

Income from investments in subsidiaries
The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of net profit for the year.

Accounting Policies

Financial income and expenses
Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments 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 and adjustment of deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are 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

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Land is measured at cost. No depreciation is made on land.

Interest paid on loans raised for indirect or direct financing or production of property, plant and equipment is recognised in the income statement.

Freehold flat is measured at market value if this value is assessed to be of a durable nature, less accumulated depreciation.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets:

Buildings	20-50 years
Other fixtures and fittings, tools and equipment	3-6 years
Leasehold improvements	5 years

Gains and losses on sale of property, plant and equipment are recognised in the income statement under Other operating income and Other external expenses, respectively.

Accounting Policies

Impairment of fixed assets
The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation. If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Investments in subsidiaries
Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet includes the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributions and adjusted for other equity movements in subsidiaries.

Subsidiaries with a negative net asset value are recognised at USD 0. Any legal or constructive obligation of the Company to cover the negative balance of the enterprise is recognised in provisions.

Gains or losses on disposal or liquidation of subsidiaries are calculated as the difference between the sales sum or the liquidation amount and the carrying amount of net assets at the time of sale or liquidation, including unamortised goodwill and expected sales or liquidation expenses. Gains or losses are recognised in the income statement.

Inventory
Inventories are measured at the lower of cost under the FIFO method and net realisable value. The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost price of inventories whose fair value is effectively hedged from derivative financial instruments is adjusted for the change in fair value attributable to the hedged risk.

The cost of goods for resale, raw materials and consumables equals landed cost.

Accounting Policies

Receivables
Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments
Prepayments under assets comprise prepaid expenses.

Securities
Securities recognised in current assets are measured at the fair value at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Dividend
Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions
Provisions are recognised when – in consequence of an event occurred before or on the balance sheet date – the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities
Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and 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.

Accounting Policies

Financial debts
Fixed-interest loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Cash Flow Statement
The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities
Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities
Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities
Cash flows from financing activities comprise cash flows from the raising and repayment of short- and long-term debt as well as payments to and from shareholders.

Cash and cash equivalents
Cash and cash equivalents comprise the items ”Cash at bank and in hand” and ”Securities” under current assets as well as “Credit institutions” under short-term debt.

The cash flow statement cannot be immediately derived from the published financial records.

Accounting Policies

Definition of financial ratios

Gross margin	=	Gross profit x 100 / Revenue
Profit margin	=	Profit before financials x 100 / Revenue
Return on equity	=	Net profit for the year x 100 / Average equity
Liquidity ratio	=	Current assets / Short-term debt
Solvency ratio	=	Equity at year end x 100 / Total assets