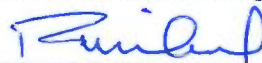


Nordic Camp Supply ApS

Annual report 2016

The Annual Report was presented and adopted at
the Annual General Meeting of the Group on



Richard McMichael

Reg No. 79 00 20 11
Nordic Camp Supply ApS
Strømmen 6
9400 Nørresundby

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Statement by the Supervisory Board and the Executive Board

The Supervisory Board and the Executive Board have today considered and adopted the annual report of Nordic Camp Supply ApS for the financial year 1 January – 31 December 2016.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

Aalborg, 29 May 2017

Executive Board:



Gilbert Kearns
Managing Director



Palle Harring
Finance Director

Supervisory Board



Robert Peter Vredenburgh
Chairman



Richard Donald McMichael



Adrienne Beth Bolan

Independent Auditor's Report

To the Shareholder of Nordic Camp Supply ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Nordic Camp Supply ApS for the financial year 1 January - 31 December 2016, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes cash flows, statement of cash flows ("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 Statements 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 Statements 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 Statements Act, and for such internal control as

Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Copenhagen, 29 May 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Flemming Eghoff
State Authorised Public Accountant



Peder Sehested Lund
State Authorised Public Accountant

Company details

Nordic Camp Supply ApS
Strømmen 6
9400 Nørresundby

Telephone: 70 23 13 07
Fax: 70 23 13 08
Website: www.ncsfuel.com
E-mail: sales@ncsfuel.com

Company Reg. No.: 79 00 20 11
Established: 10 October 1985
Registered office: Aalborg
Financial year: 1 January – 31 December

Supervisory Board

Robert Peter Vredenburg (Chairman)
Richard Donald McMichael
Adrienne Beth Bolan

Executive Board

Gilbert Kearns, Managing Director
Palle Haring, Finance Director

Auditors

Pricewaterhousecoopers Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Bankers

Nordea Bank A/S
Prinsensgade 15
9000 Aalborg

Lawyers

Ronne & Lundgren Advokatfirma
Tuborg Havnevej 19
2900 Hellerup

Consolidated Financial Statements

The Company is consolidated in the Annual Report of World Fuel Services Corporation, 9800 N.W. 41st street, Suite 400, Miami FL33178. The consolidated Annual Report is available on www.wfscorp.com and <http://phx.corporate-ir.net/phoenix.zhtml?c=101792&p=irol-reportsAnnual>

Financial highlights for the Company

USD'000	2016	2015	2014	2013	2012
Key figures					
Revenue	75,933	70,207	397,925	508,840	522,049
Operating profit	40,262	30,250	70,217	55,625	39,503
Profit/loss from financial income and expenses	1,931	3,150	4,468	-1,328	-1,816
Profit for the year	33,117	25,766	52,952	42,849	30,025
Non-current assets	205,089	205,089	23	738	1,409
Current assets	96,352	54,623	234,087	189,916	246,282
Total assets	301,441	259,712	234,110	190,654	247,691
Share capital	37	37	37	37	37
Equity	275,051	241,934	216,168	163,210	120,367
Non-current liabilities	0	0	0	500	0
Current liabilities	24,422	17,778	17,942	26,937	127,324
Cash flows from operating activities	31,274	27,655	174,870	119,320	-106,654
Cash flows from investing activities	0	-100,000	0	571	-1,817
Hereof investment in property, plant and equipment	0	0	0	-12	-1,794
Cash flows from financing activities	-32,648	64,866	-167,746	-119,912	93,284
Total cash flows	-1,374	-7,479	7,124	-21	-15,187
Financial ratios					
Operating margin	53,0%	43,1%	16,1%	10,9%	7,6%
Return on invested capital	14,4%	12,3%	30,2%	25,4%	22,2%
Equity ratio (solidity)	91,2%	93,2%	92,3%	85,8%	48,6%
Return on equity	12,8%	11,2%	27,9%	30,2%	28,5%
Average number of full-time employees	79	80	147	132	126

Management's review

Operating view

Principal activities of the Company

The Company's principal activity is the sale of fuel and provision of fuel related services including management, construction, operation and maintenance of fuel facilities. The Company primarily operates in expeditionary environments, including areas exposed to war and natural disaster.

Development in activities and financial matters

Income statement

The Company has had a positive and satisfactory development during 2016. The development in revenue from USD 70 million in 2015 to USD 76 million in 2016 is mainly driven by the increase in world market prices for oil-products throughout 2016.

Profit before tax amounts to USD 42 million compared to USD 33 million in 2015. Profit from operations is above what was estimated in the financial statement for 2015 (range 15-25 million). The reason behind the improved financial performance is that the anticipated decline of foot-print of the allied military forces in Afghanistan did not occur during 2016.

The financial result for the year is considered very satisfactory.

Balance sheet and financial resources

During the year the total assets have increased from USD 260 million to USD 301 million and equity amounts to USD 275 million as of 31 December 2016 (92% of total assets) compared to USD 242 million as of 31 December 2015 (93% of total assets).

Management is of the opinion that the Company has a very strong financial position and has sufficient financial resources to realize its plans and expected activities in 2017.

Outlook and events after the balance sheet date

Management expects level of activity and earnings for 2017 to be in the range 75-90% of 2016, as all indications are that the foot-print of the allied military forces in Afghanistan will decline.

Intellectual capital

It is important for the Company's continued growth and development to be able to attract and retain highly-educated and experienced employees, including employees specialized in logistics and fuel operations in expeditionary environments. This necessitates a high competence level, and the Company commits the necessary resources for ensuring the continued development and retention of competencies of its employees.

Quality Management

Nordic Camp Supply has a persistent focus on delivering fuel and the related services of the highest quality. The fuel is tested continuously through the supply chain following a pre-defined testing regime, which is described in detail in the Company's Quality Management system. This includes

Management's review

testing at the Company's own laboratory. Similarly, procedures which are the basis for the Company's services are detailed in the Quality Management system. This Quality Management system is certified according to International Standard ISO9001:2015 and managed by the Company's skilled and highly qualified Quality Management manager.

Risk factors

The Company's activity is mainly based on the sale of fuel and related services in expeditionary environments, such that geo-political developments can have a significant impact on the Company.

Afghan business environment

The Islamic Republic of Afghanistan has been experiencing significant political and economic change that has affected, and may continue to affect, the activities of enterprises operating in this environment. Consequently, operations in Afghanistan involve risks that typically do not exist in other markets. These financial statements reflect management's assessment of the impact of this risk on the Company. The future business environment may differ from management's assessment.

Price risks

The Company is subject to the general price mechanisms for fuel. The Company has entered into long term contracts and has a relatively high turnover of stock. Due to this fact, combined with the financial strength of the company, management has historically decided not to use hedging as a financial tool. Management will continue to evaluate these price risks in the context of market volatility and reassess the hedging policy.

Currency risks

The vast majority of the Company's sales and purchases are denominated and settled in USD. Consequently, the Company is not exposed to any material currency risks.

Interest rate risks

The Company does not have significant interest-bearing debt and, consequently, changes in the interest level will not have a significant impact on earnings.

Credit risks

The majority of the Company's customers are independent nations. Based on this and the contractual conditions the credit risk is determined to be at a very low level.

Environmental issues

The environmental laws of the markets in which the Company operates are often unclear and subject to interpretation and frequent change. The Company believes that it is in compliance with applicable laws and regulation at any time and strives to reduce the environmental impact of its business.

Please refer to the Corporate Social Responsibility section below.

Management's review

Branches and subsidiaries abroad

The Company has a registered branch in Afghanistan and holds the necessary permissions, registrations and licenses required to carry out the activities in the country.

Corporate Social Responsibility

Nordic Camp Supply primarily operates in expeditionary environments, including areas exposed to war and natural disaster. While these operating environments are often characterized by limited and sometimes conflicting legislation, NCS operates under strict contractual demands from the customers. NCS strives to meet western working standards for our staff and to embrace best practices in our co-operation with local sub-contractors and suppliers.

NCS' approach has always been embedded in the code of conduct and in our operational policies and procedures, but has not previously been formalized into written CSR policies. In 2013, Management has decided to increase NCS' effort for documenting the amount of CSR work that is being performed and has always has been conducted within the Company. Management therefore initiated a process to formalize procedures and to capture the relevant data enabling NCS to perform detailed reporting on the outcome of the CSR effort. As a part of this process, Management decided to initiate an ISO 14001 and OHSAS 18001 3rd party certification in 2014. This work has been completed in 2015 and Nordic Camp Supply has obtained the ISO 14001 and OHSAS 18001 licens.

CSR Policy

The 2016 CSR policy covers all aspects of NCS operations and can be divided into the following categories:

- Legislation and regulations
- Occupational Health and safety
- Environment
- Code of conduct and business ethics
- Gender diversity

Material human rights issues are embedded in the code of conduct and reflected throughout the Company's operating procedures as reflected in the Business Management System.

Implementation and results

Based on previous years effort NCS obtained ISO 14001 and OHSAS 18001 accreditation in 2015. After completion of mandatory reoccurring audits the accreditations was secured for 2016/2017.

In 2016 NCS Management has started to prepare the internal processes and procedures to obtain the updated ISO14001:2015 and the expected ISO45001:2017, which is the upgrade of the OHSAS 18001. Management believes that the Company is progressing according to plan and expects to complete the accreditation in 2017.

Furthermore, NCS Management has initiated a project to achieve an ISO37001:2016 accreditation as the Company's current practice under Code of Conduct already align with the principles herein.

Management's review

Lastly, NCS have obtained a new ISO9001 accreditation in 2016, which means that NCS now have an ISO9001:2015 accreditation as probably one of the first companies in the world and certainly as one of the first within the industry.

All in all, NCS Management is very pleased with the development in 2016 and look forward to continue the constructive work with obtaining and maintaining – best in class ISO accreditation – for its operation. This will further strengthen NCS' reputation as a trustworthy and responsible company and business partner to its customers despite the challenging conditions we operate in.

Legislation and regulations

As a subsidiary of World Fuel Services Corporation, based in Miami, Florida, USA and listed on the New York Stock Exchange, the Company is required to comply with the laws and regulations of the U.S. government and various international jurisdictions.

These regulations place restrictions on the Company's operations, trade practices, partners and investment decisions. In particular, the Company is subject to U.S. and foreign anti-corruption laws and regulations, such as the Foreign Corrupt Practices Act ("FCPA"), and economic sanction programs administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"). The FCPA prohibits the Company from providing anything of value to foreign officials for the purposes of influencing official decisions or obtaining or retaining business. As part of the business, the Company regularly deals with state-owned business enterprises, the employees of which are considered foreign officials for purposes of the FCPA. In addition, some of the international locations in which the Company operates lack a developed legal system and have elevated levels of corruption. Economic sanctions programs restrict our business dealings with certain countries and individuals.

Management has established policies and procedures designed to assist the Company and its personnel to comply with applicable U.S. and international laws and regulations. These policies include ongoing training of personnel and an extensive set of rules and pre-approvals for all dealings with governmental officials, all of which are subject to independent internal audit. Additionally there is a process of prior vetting of all suppliers and business partners by a specialized team at the parent Group level independent of the Company's management. Furthermore, the Company's suppliers are required to acknowledge and adhere to the Companies policies for anti-corruption.

Occupational health and safety

Occupational Health and Safety (OHS) for all employees has Management's top priority and current procedures for OHS are managed in compliance with OHSAS 18001 and are furthermore integrated into the ISO 9001:2015 certified Quality Assurance System.

Acknowledging the often challenging surroundings in which NCS operates, NCS continuously evaluates the working environments and security levels to reduce the risk in the operation to an acceptable level.

Management's review

Overall responsibility for OHS lies with the senior management. Dedicated resources are allocated to the Quality Manager (assigned as Management Representative. The NCS Training Coordinator handles the daily OHS functions in theatre:

- Conduct OHS training, mandatory for all employees
- Risk assessments on new procedures/tasks
- Coordinate and advise on OHS issues
- Coordinate and implement the continued compliance with current H&S regulations throughout all NCS operations
- Ensure compliance with current H&S regulations
- Coordinate and carry out inspections and audits in accordance with relevant ISO instructions at all locations on H&S, Environmental and Fire matters
- Coordinate and ensure Risk Assessments and associated H&S documentation are in order
- Reporting of incidents
- Reporting of OHS statistics
- Responsible for OHS PPE; gloves, shoes, goggles etc.

Direct management on-site is responsible for ensuring that operations follow the procedures and is required to stop the work if health and safety are threatened. Deliberately not adhering to OHS procedures is considered reason for fair dismissal. Senior Management is responsible for follow up on reports and taking appropriate action in the event of insufficient corrective or preventive actions.

Environment

Environmental impact is of high importance to NCS and NCS Environmental Management is accredited after ISO 14001 and is integrated into our ISO 9001:2015 certified Quality Assurance System.

Environmental responsibility is embedded within the management structure of all operations. Overall responsibility lies with the senior management, and site-specific responsibility lies with Site Managers. Dedicated resources are allocated to the Quality Manager (assigned as Management Representative) and the Training Coordinator, who has Environmental risk management as a primary position objective. The NCS Training Coordinator handles the following:

- Conduct Environmental Training, mandatory for all employees
- Coordinate and advise on Environmental issue
- Coordinate and ensure Environmental Assessments
- Reporting of incidents

In our operations we strive to meet international standards for environmental handling of fuel facilities operated by the Company. External storage providers must adhere to national statutory requirements and contractual requirements imposed as part of the initial environmental assessment. This environmental assessment is part of NCS' mandatory storage assessment, and must be passed with acceptable results prior to contracting for any external storage.

Management's review

Code of conduct and business ethics

The NCS code of conduct is the foundation of everything we do and Management pays great attention to ensuring that all new employees receive training in the NCS code of conduct immediately upon accepting employment with NCS. Further to this, Management has ensured that all employees have easy access to a copy of the code of conduct, either through the NCS intranet or through poster and information circulators made available at all worksites.

Achievement and progress

The progress of CSR initiative can be summarized as follows:

Area	Description	Target	Achievement
Legislation and regulation	All employees to receive and pass annual training program	100%	100%
Legislation and regulation	Numbers of FCPA violations	0 occurrence	0 occurrence
Health and Safety	Total sick days	< 2%	0.59%
Health and Safety	Lost time work related	< 2%	0.004%
Health and Safety	LTIFR*	<0.50	0,27
Environmental	Minimize number of spills on fuel facilities	spills <0.5% of fuel transactions	0.008%
Code of Conduct and Business Ethics	All new employees given introduction training	100%	100%

* Measured as number of work related incidents with absence above 1 day per 100,000 working hours

Gender Diversity

Top management level

The top management level of the Company is the Supervisory Board which consists of Mr Robert Peter Vredenburg, Mr Richard Donald McMichael and Mrs Adrienne Beth Bolan. This gender diversity is the highest obtainable with the current number of board members and the senior management therefore concludes that there is no underrepresentation of a gender in the Supervisory Board.

Additional management levels

The Danish Companies Act section 139 a, paragraph 2 requires that the Company implement a policy to favourably treat employees based on gender, in order to promote the underrepresented gender in the additional management levels.

The Company does not employ, promote or dismiss employees based on their ethical origin, religion, political views, sexual orientation, age or gender and does not provide differential treatment or implement procedures or programs for the benefit of certain groups of employees. To ensure equal rights and opportunities, the Company ensures that:

Management's review

- No discrimination exist in the job descriptions when posting open job opportunities within the Company;
- All employees are put through the same training and education when joining the Company;
- All employees are offered the same courses and personal development plans during their employment in accordance with their job requirements and competences; and
- All employees on the same level participate equally in the annual performance evaluation and bonus program.

By implementing this equal opportunities approach, the Company believes it promotes diversity and complies with these provisions of the Danish Companies Act.

Currently there is no gender diversity in the additional management levels, primarily because the majority of the Group's employees has a military background with experience from expeditionary environments which traditionally is very male dominated and hence, leaves the Company with a very limited pool of female candidates. This has impacted and is expected to continue to impact the Company's ability to increase the gender diversification.

Financial Statements 2016

Accounting policies

The annual report of Nordic Camp Supply ApS for 2016 has been prepared in accordance with the provisions applying to reporting class C large enterprises under the Danish Financial Statements Act.

The accounting policies are consistent with those of last year.

The Company has chosen to apply section § 112 of the Danish Financial Statement Act which exempts the Company from presenting a consolidated financial statement for 2016 as the Company is consolidated into the ultimate parent company World Fuel Services Corporation.

Foreign currency translation

The Company's functional currency is USD. Transactions in other currencies than the functional currency are transactions in foreign currencies. On initial recognition, transactions in foreign currencies are converted to the exchange rates at the transaction date. Exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date.

Recognition and measurement

The financial statements have been prepared under the historical cost method.

Income is recognised in the income statement as earned and all expenses incurred in achieving the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions.

Assets are recognised in the balance sheet when it is probable that future economic benefits will accrue 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 be deducted from the Company, 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.

Financial Statements 2016

Accounting policies

According to the Danish Financial Statement Act the Company can inform that exchanges rates between Danish Kroner and American dollars was 705.28 as of 31 December 2016 and 683.00 as of 31 December 2015.

Income statement

Revenue from sale of goods and services

Income from the sale of goods and services is revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received.

Cost of goods sold

Costs of goods sold includes all cost incurred in obtaining the revenue for the period, including cost of products, transportation, storage etc.

Other operating income

Other operating income comprises items secondary to the activities of the Company, including gains on disposal of tangible assets and property, plant and equipment.

Other external costs

Other external costs comprise costs of administration, storage, housing etc.

Personnel expenses

Personnel expenses comprise costs of wages and salaries, social security costs, pensions etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense from banks as well as gains and losses on payables and transactions denominated in foreign currencies. Financial income and expenses are recognised in the income statement by the amounts attributable to the financial period.

Tax on profit/loss for the year

Nordic Camp Supply ApS is covered by the Danish rules on compulsory joint taxation of group companies and takes part in the joint taxation taxed with other World Fuel Services Corporation' subsidiaries based in Denmark.

The current Danish corporation tax is allocated by settlement of joint taxation contribution between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carry forwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits.

Financial Statements 2016

Accounting policies

Tax for the year comprises current tax and changes in deferred tax for the period. The tax expense relating to the profit/loss for the period is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Fixed assets

Fixed assets are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Land and buildings	1-5 years
Fixtures and fittings	1-5 years

Gains and losses on the disposal of fixed assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Investments in subsidiaries

Investments in subsidiaries are measured at initial cost price.

Impairment of non-current assets

The carrying amount of intangible assets and tangible assets as well as investments in subsidiaries are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortization.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Financial Statements 2016

Accounting policies

Prepayments to suppliers are included in the value of inventories.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made based on an individual assessment.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Equity

Dividends

Proposed dividends are recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities

Liabilities are measured at amortised cost which typically equals nominal value.

Cash flow statement

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

Financial Statements 2016

Accounting policies

Cash flows from operating activities

Cash flows from operating activities are calculated as the Company's share of the profit/loss for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of property, plant and equipment.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, repayment of long term interest-bearing debt, changes in intercompany accounts with group companies and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash in bank and cash in hand.

Segment information

The Company solely operates in one business segment and in one geographical market.

Financial Statements 2016

Accounting policies

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Operating margin	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Operating profit} \times 100}{\text{Average total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit for the year} \times 100}{\text{Average equity}}$

Financial Statements

Income statement, 1 January – 31 December

USD'000	Note	2016	2015
Net revenue		75,933	70,207
Cost of sales		-29,664	-32,919
Other external cost	1	-5,416	-6,797
Other operating income		2,005	2,149
Gross profit		42,858	32,640
Personnel expenses	2	-2,596	-2,390
Operating profit		40,262	30,250
Financial income	3	2,482	3,569
Financial expenses	3	-551	-419
Profit before tax		42,193	33,400
Tax on profit	4	-9,076	-7,634
Profit for the year		33,117	25,766
Proposed profit appropriation			
Retained earnings		33,117	25,766
		33,117	25,766

Financial Statement

Balance sheet

USD'000

ASSETS

Non-current assets

Property, plant and equipment

Land and buildings

Fixtures and fittings

Investments

Investments in subsidiaries

Total non-current assets

Current assets

Inventories

Goods for resale

Prepayments

Receivables

Trade receivables

Receivables from group companies

Other receivables

Prepayments

Deferred tax asset

Cash at bank and in hand

Total current assets

TOTAL ASSETS

Note	31-Dec-16	31-Dec-15
5	0	0
	0	0
	<u>0</u>	<u>0</u>
6	205,089	205,089
	<u>205,089</u>	<u>205,089</u>
	4,213	3,400
	29	5
	<u>4,242</u>	<u>3,405</u>
	3,555	2,554
	80,566	38,993
	6,412	6,411
	38	22
	0	325
	<u>90,571</u>	<u>48,305</u>
	1,539	2,913
	<u>96,352</u>	<u>54,623</u>
	<u>301,441</u>	<u>259,712</u>

Financial Statement

USD'000	Note	31-Dec-16	31-Dec-15
EQUITY AND LIABILITIES			
Equity	7		
Share capital		37	37
Retained earnings		275,014	241,897
Total equity		275,051	241,934
Provision			
Deferred tax	8	50	0
Total provision		50	0
Current liabilities			
Trade payables		3,643	1,728
Amounts owed to group enterprises		11,150	2,227
Joint taxation contribution		8,312	8,864
Other payables		3,235	4,959
Total liabilities		26,342	17,778
TOTAL EQUITY AND LIABILITIES		301,441	259,712
Contingent liabilities	9		
Related party disclosures	10		

Financial Statement

Statement of Changes in Equity

USD'000

	Share Capital	Retained earnings	Total
Equity at 1 January 2015	37	216,131	216,168
Profit for the year	0	25,766	25,766
Equity at 31 December 2015	37	241,897	241,935

	Share Capital	Retained earnings	Total
Equity at 1 January 2016	37	241,898	241,935
Profit for the year	0	33,117	33,117
Equity at 31 December 2016	37	275,014	275,051

Financial Statement

Cash flow statement

USD*000

	Note	2016	2015
Operating profit		40,262	30,250
Adjustments		-395	0
Cash generated from operations (operating activities) before changes in working capital		39,867	30,250
Changes in working capital	9	-1,666	-1,017
Cash generated from operations (operating activities)		38,201	29,233
Interest received		2,482	3,569
Interest paid		-551	-419
Cash generated from operations and tax		-40,132	32,383
Corporation tax paid		-8,858	-4,728
Cash flows from operating activities		31,274	27,655
Investment in subsidiary		0	-100,000
Cash flows from investing activities		0	-100,000
Change in loan to / from group companies		-32,648	64,866
Cash flows from financing activities		-32,648	64,866
Cash flows for the year		-1,374	-7,479
Cash and cash equivalents at 1 January		2,913	10,392
Cash and cash equivalents at 31 December		1,539	2,913

Financial Statements

Notes to the financial statements

USD'000

	2016	2015
1 Fees to auditors appointed at the annual general meeting		
Fee regarding statutory audit	132	246
	<u>132</u>	<u>246</u>
2 Personnel expenses		
Wages and salaries	2,190	1,913
Pensions	173	169
Social security costs	15	22
Other staff costs	217	286
	<u>2,596</u>	<u>2,390</u>
Average number of full-time employees	<u>79</u>	<u>80</u>
<p>Remuneration of the executive board amount to USD 448 thousand and pensions amount to USD 19 thousand and is included in personnel expenses (prior year: USD 470 thousand and USD 22 thousand)."</p>		
3 Financial income and expenses		
Financial income		
Affiliated companies	1,942	2,702
Other	540	867
	<u>2,482</u>	<u>3,569</u>
Financial expenses		
Other	551	419
	<u>551</u>	<u>419</u>
4 Tax on profit		
Current tax for the year	8,707	7,918
Adjustment of tax prior years	-6	24
Adjustment of deferred tax for the year	375	-308
	<u>9,076</u>	<u>7,634</u>

Financial Statements

Notes to financial statements

USD'000

5 Fixed assets

	Land and buildings	Fixtures and fittings, other plant, etc.	Total
Cost as at 1 January	220	193	413
Additions	0	0	0
Disposals	-177	-109	-286
Cost as at 31 December	43	84	127
Depreciation and impairment as at 1 January	220	193	413
Depreciation	0	0	0
Disposals	-177	-109	-286
Depreciation and impairment as at 31 December	43	84	127
Carrying value as at 31 December	0	0	0
Depreciated over	1-5 years	1-5 years	

6 Investments in subsidiaries

	2016	2015
Cost price opening balance	205,089	23
Additions	0	205,066
Cost price closing balance	205,089	205,089

Company:

- Nordic Camp Supply B.V, Rotterdam, ownership 100%
 - Profit and loss 2015, USD 39,882 thousand
 - Equity 31 December 2015, USD 245,702 thousand

Financial Statements

Notes to financial statements

7 Equity			
USD'000	Share capital	Retained earnings	Total
Equity at 1 January 2016	37	241,898	241,935
Transferred via profit appropriation	0	33,117	33,117
Equity at 31 December 2016	37	275,014	275,051

The share capital consists of 1 share of DKK 200,000 and 1 share of DKK 10,000 equalling 210.000 DKK. All shares rank equally.

Change in share capital	2016	2015	2014	2013	2012
Shares opening	37	37	37	37	37
Capital increase	0	0	0	0	0
Shares closing	37	37	37	37	37

8 Defferred tax

	2016	2015
Deferred tax at the beginning of the year	325	17
Recognized in the income statement	-375	308
Recognized on equity	0	0
Deferred tax at year end	-50	325

9 Changes in working capital

	2016	2015
Changes in inventories	1,081	764
Changes in receivables	-1,018	3,783
Changes in trade payable and other payables	-1,729	-5,564
	-1,666	-1,017

10 Contingent liabilities

The Company has entered into a lease agreement for office space located Strømmen 6, Nørresundby with RTX Telecom A/S. The termination of the lease is subject to normal market terms USD 16,099.

The company takes part of the joint taxation with WFS group' other Danish entities. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may affect the Group.

Financial Statements

Notes to financial statements

11 Related party disclosures

Nordic Camp Supply ApS' related parties comprise the following:

Parties exercising control:

WFS Danish Holding Company I ApS, Køge, Denmark, owns 100% of the shares. The ultimate parent Company is World Fuel Services Corporation, Miami (www.WFSCORP.com).

Other related parties:

Other related parties include directors and members of the board and other entities in the World Fuel Services group.

12 Events after the balance date

No events after the balance date have materially impacted the financial position of the Company.