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***BMS United Bunkers S.A.  
ApS***

Strandvejen 5, DK-5500 Middelfart

**Annual Report for 2018/19**

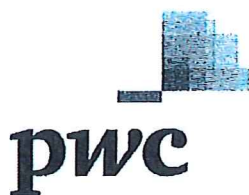
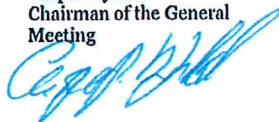
(financial period 1/5 - 30/4)

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CVR No 87 19 21 13

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
17/6 2019

Casper Dybdahl  
Chairman of the General  
Meeting



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## Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of BMS United Bunkers S.A. ApS for the financial year 1 May 2018 - 30 April 2019.

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

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

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

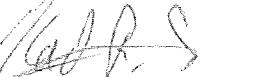
Middelfart, 17 June 2019

### Executive Board

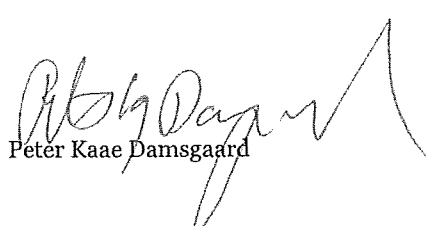


Keld Rosenbæk Demant

### Board of Directors



Keld Rosenbæk Demant



Peter Kaae Damsgaard

# Independent Auditor's Report

To the Shareholder of BMS United Bunkers S.A. ApS

## Opinion

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

We have audited the Financial Statements of BMS United Bunkers S.A. ApS for the financial year 1 May 2018 - 30 April 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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 Financials 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 misstate-

## Independent Auditor's Report

ment, 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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

## Independent Auditor's Report

in a manner that gives a true and fair view.

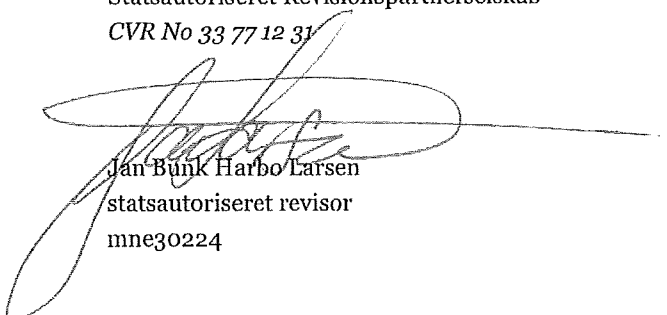
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trekantområdet, 17 June 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Jan Bunk Harbo Larsen

statsautoriseret revisor

mne30224

## Company Information

### **The Company**

BMS United Bunkers S.A. ApS  
Strandvejen 5  
DK-5500 Middelfart

Telephone: + 45 +45 64 41 54 01

Facsimile: + 45 + 45 64 41 53 01

CVR No: 87 19 21 13

Financial period: 1 May - 30 April

Municipality of reg. office: Middelfart

### **Board of Directors**

Keld Rosenbæk Demant  
Peter Kaae Damsgaard

### **Executive Board**

Keld Rosenbæk Demant

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Herredsvej 32  
DK-7100 Vejle

## **Management's Review**

Financial Statements of BMS United Bunkers S.A. ApS for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

### **Key activities**

The Company is a holding company of BMS United Bunkers (Cyprus) Ltd. and BMS United Bunkers Ltd., whose activities constitute the purchase, sale and mediation of, among other things, bunkers and lubricating oil for ships on a worldwide basis, as well as agency activities and various naturally related services.

### **Development in the year**

The income statement of the Company for 2018/19 shows a profit of USD 8,171,142, and at 30 April 2019 the balance sheet of the Company shows equity of USD 24,269,133.

### **The past year and follow-up on development expectations from last year**

For the financial year 2018/19, earnings are expected to be at the same level as this financial year.

### **Subsequent events**

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



## Income Statement 1 May - 30 April

	Note	2018/19 USD	2017/18 USD
Other operating income		38,100	47,100
Other external expenses		<u>-16,289</u>	<u>-9,310</u>
<b>Gross profit/loss</b>		<b>21,811</b>	<b>37,790</b>
Income from investments in subsidiaries		8,100,026	5,012,009
Financial income	1	262,693	181,140
Financial expenses	2	<u>-194,914</u>	<u>-122,405</u>
<b>Profit/loss before tax</b>		<b>8,189,616</b>	<b>5,108,534</b>
Tax on profit/loss for the year	3	<u>-18,474</u>	<u>-21,679</u>
<b>Net profit/loss for the year</b>		<b><u>8,171,142</u></b>	<b><u>5,086,855</u></b>

## Distribution of profit

### Proposed distribution of profit

Extraordinary dividend paid	0	1,000,000
Proposed dividend for the year	0	6,000,000
Reserve for net revaluation under the equity method	8,100,026	-987,991
Retained earnings	<u>71,116</u>	<u>-925,154</u>
	<b><u>8,171,142</u></b>	<b><u>5,086,855</u></b>

## Balance Sheet 30 April

### Assets

	Note	2018/19 USD	2017/18 USD
Investments in subsidiaries	4	22,889,185	20,789,159
<b>Fixed asset investments</b>		<b>22,889,185</b>	<b>20,789,159</b>
<b>Fixed assets</b>		<b>22,889,185</b>	<b>20,789,159</b>
Receivables from group enterprises		1,368,171	1,250,837
Other receivables		857	407
<b>Receivables</b>		<b>1,369,028</b>	<b>1,251,244</b>
<b>Cash at bank and in hand</b>		<b>57,741</b>	<b>164,735</b>
<b>Currents assets</b>		<b>1,426,769</b>	<b>1,415,979</b>
<b>Assets</b>		<b>24,315,954</b>	<b>22,205,138</b>

## Balance Sheet 30 April

### Liabilities and equity

	<u>Note</u>	<u>2018/19</u> USD	<u>2017/18</u> USD
Share capital		236,716	236,716
Reserve for net revaluation under the equity method		8,264,055	164,029
Retained earnings		15,768,362	15,697,246
Proposed dividend for the year		0	6,000,000
<b>Equity</b>	<b>5</b>	<b><u>24,269,133</u></b>	<b><u>22,097,991</u></b>
Credit institutions		18,841	60,141
Trade payables		939	22,206
Payables to group enterprises		3,375	1,500
Corporation tax		19,690	21,679
Other payables		3,976	1,621
<b>Short-term debt</b>		<b><u>46,821</u></b>	<b><u>107,147</u></b>
<b>Debt</b>		<b><u>46,821</u></b>	<b><u>107,147</u></b>
<b>Liabilities and equity</b>		<b><u>24,315,954</u></b>	<b><u>22,205,138</u></b>
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## Statement of Changes in Equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	USD	USD	USD	USD	USD
<b>2018/19</b>					
Equity at 1 May	236,716	164,029	15,697,246	6,000,000	22,097,991
Ordinary dividend paid	0	0	0	-6,000,000	-6,000,000
Net profit/loss for the year	0	8,100,026	71,116	0	8,171,142
<b>Equity at 30 April</b>	<b>236,716</b>	<b>8,264,055</b>	<b>15,768,362</b>	<b>0</b>	<b>24,269,133</b>
<b>2017/18</b>					
Equity 1. maj	236,716	1,137,968	16,622,400	5,000,000	22,997,084
Ordinary dividend paid	0	0	0	-5,000,000	-5,000,000
Extraordinary dividend paid	0	0	-1,000,000	0	-1,000,000
Exchange adjustments relating to foreign entities	0	14,052	0	0	14,052
Net profit/loss for the year	0	-987,991	74,846	6,000,000	5,086,855
<b>Equity at 30 April</b>	<b>236,716</b>	<b>164,029</b>	<b>15,697,246</b>	<b>6,000,000</b>	<b>22,097,991</b>

## Notes to the Financial Statements

	2018/19	2017/18
	<u>USD</u>	<u>USD</u>
<b>1 Financial income</b>		
Interest received from group enterprises	253,226	176,288
Other financial income	9,467	4,852
	<u>262,693</u>	<u>181,140</u>
<b>2 Financial expenses</b>		
Interest paid to group enterprises	687	1,076
Other financial expenses	194,227	121,329
	<u>194,914</u>	<u>122,405</u>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	19,690	21,679
Adjustment of tax concerning previous years	-1,216	0
	<u>18,474</u>	<u>21,679</u>
<b>4 Investments in subsidiaries</b>		
Cost at 1 May	15,625,130	15,625,130
Cost at 30 April	15,625,130	15,625,130
Value adjustments at 1 May	5,164,029	6,137,968
Exchange adjustment	0	14,052
Net profit/loss for the year	8,100,026	5,012,009
Dividend to the Parent Company	-6,000,000	-6,000,000
Value adjustments at 30 April	7,264,055	5,164,029
Carrying amount at 30 April	<u>22,889,185</u>	<u>20,789,159</u>

## Notes to the Financial Statements

### 4 Investments in subsidiaries (continued)

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
BMS United Bunkers Cyprus Ltd.	Cyprys	600.000	100%

### 5 Equity

The share capital consists of 15,000 shares of a nominal value of DKK 100. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

### 6 Contingent assets, liabilities and other financial obligations

#### Contingent liabilities

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 BMS United Bunkers S.A. ApS in an amount equaling the parts of the obligations which relate to BMS United Bunkers S.A. ApS' intra-group liability to Bunker Holding A/S.

The Danish group companies 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.

## Notes to the Financial Statements

### 7 Related parties

Related parties comprise the Supervisory Board, the Executive Board and the 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, Middelfart, Denmark.

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.

# Notes to the Financial Statements

## 8 Accounting Policies

The Annual Report of BMS United Bunkers S.A. ApS for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018/19 are presented in USD. At 30 April 2019 the year-end exchange rate for USD/DKK was 6.17. The comparative figures are translated at the historical year-end exchange rate which as of 30 April 2018 was USD/DKK 6.81.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Bunker Holding A/S, the Company has not prepared consolidated financial statements.

### Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned, and all expenses incurred to achieve the earnings for the year are deducted. Expenses include, operating expenses, depreciation, amortisation, impairment losses and provisions as well as changes due to changed accounting estimates. Furthermore, value adjustments of financial assets and liabilities measured at fair value are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

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

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.



# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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.

Upon recognition of financial statements of foreign group enterprises and associates, income statement items are translated into USD at average exchange rates and balance sheet items are translated at exchange rates at the balance sheet date. Exchange adjustments arising on this translation are recognised directly in equity.

## Income Statement

### Other external expenses

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

### Other operating income

Other operating income includes administration fee relating to factoring.

### Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement of the Parent Company includes the proportionate share of the profit for the year less goodwill amortisation.

### Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange gains and losses and changes in the fair value of financial statements.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in 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.

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

## Notes to the Financial Statements

### 8 Accounting Policies (continued)

credit for tax losses). The joint taxed enterprises have adopted the on-account taxation scheme.

## Balance Sheet

### Investments in subsidiaries

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

The item "Investments in subsidiaries" in the balance sheet include 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.

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 distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

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

Gains and 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 and losses are recognised in the income statement.

### 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.

### Dividend

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

### Deferred tax assets and liabilities

Deferred income tax is recognised in respect of 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 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.

## Notes to the Financial Statements

### 8 Accounting Policies (continued)

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 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 liability, respectively.

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 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.

#### **Financial debts**

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