

Annual Report

2022/23

Latitude
N 55°30'23.8458"
Longitude
E 9°43'44.7468"

An aerial photograph of a boat's wake in the ocean. The water is dark blue with white foam from the wake. Three red double-line arrows are overlaid on the image, pointing from left to right. The word "Contents" is written in white text on the left side of the image.

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A new Dan-Bunkering

Since our founding in 1981, we have followed the mission to pioneer the bunker trading business and lead the way for new fuel solutions for the maritime industry. Drawing on our longstanding industry expertise, we specialise in providing our customers with high-quality marine fuel, lubricants, and other vessel services. We work every day to refine our services and deliver value to our customers and suppliers.

Dan-Bunkering's first voyage started in 1981 in Middelfart where the head office today still is located. Being a pioneer within bunker trading, Dan-Bunkering rather quickly experienced great success and growth in volume, market reach and people and expanded with an office in Copenhagen in 1987. Fast-forward to 2023, and Dan-Bunkering has expanded with further nine offices around the world. Some of them have been traditional start-ups in new markets, but we have also been fortunate in the last years to successfully merge with Australia Bunkering and LQM. These are well respected, professional bunker trading and broker companies who already had strong market shares in their specific markets and experienced people onboard.

Within the last fiscal year, we have merged with first SABT and then Amoil. Both companies considered the experts of the African continent. Joining forces with

them has created a unique position and opportunity to grow and develop bunkering solutions both in port and offshore Africa. Most importantly, the people from Australia Bunkering, LQM, SABT, and Amoil share values with Dan-Bunkering and the cultural fit has been remarkable. Together we have created a new Dan-Bunkering. I am proud of what has been achieved and the steps we have already made to create a stronger and a more inter-connected organisation.

And although more than 40 years have passed and the industry has evolved and changed significantly, the same values on which our owner founded the company are still the cornerstones of our company and an inevitable contributor to Dan-Bunkering still being at the forefront of the bunker industry. The strong principles and culture remain the same and will continue to do so on our journey.

Compliance at the heart of our business

In 2021, the case against Dan-Bunkering ended. It was concluded that Dan-Bunkering should have known that the company's Russian clients could likely use the jet fuel supplied in 2015 - 2017 in violations of EU sanctions against Syria. The case is in significant conflict with our company values and what we stand for as a company, and it has been our utmost priority to dedicate time and resources towards further developing and strengthening our compliance system and procedures. Today, we regard our compliance system among the best in the maritime industry. We have an obligation to pass on the lessons learned, take the lead in compliance and set the highest standards for ourselves and inspire others.

CEO LETTER

Our immediate exit from Russia after the invasion of Ukraine is a testament to the commitment from Dan-Bunkering to not only abide by sanctions but to also use the learnings of the court case to foresee geopolitical decisions that impact business. After the Russian invasion, Dan-Bunkering quickly withdrew from all trades with Russian counterparties. Shortly after we decided to close our Kaliningrad office with the result of a total exit of Dan-Bunkering's activities in Russia.

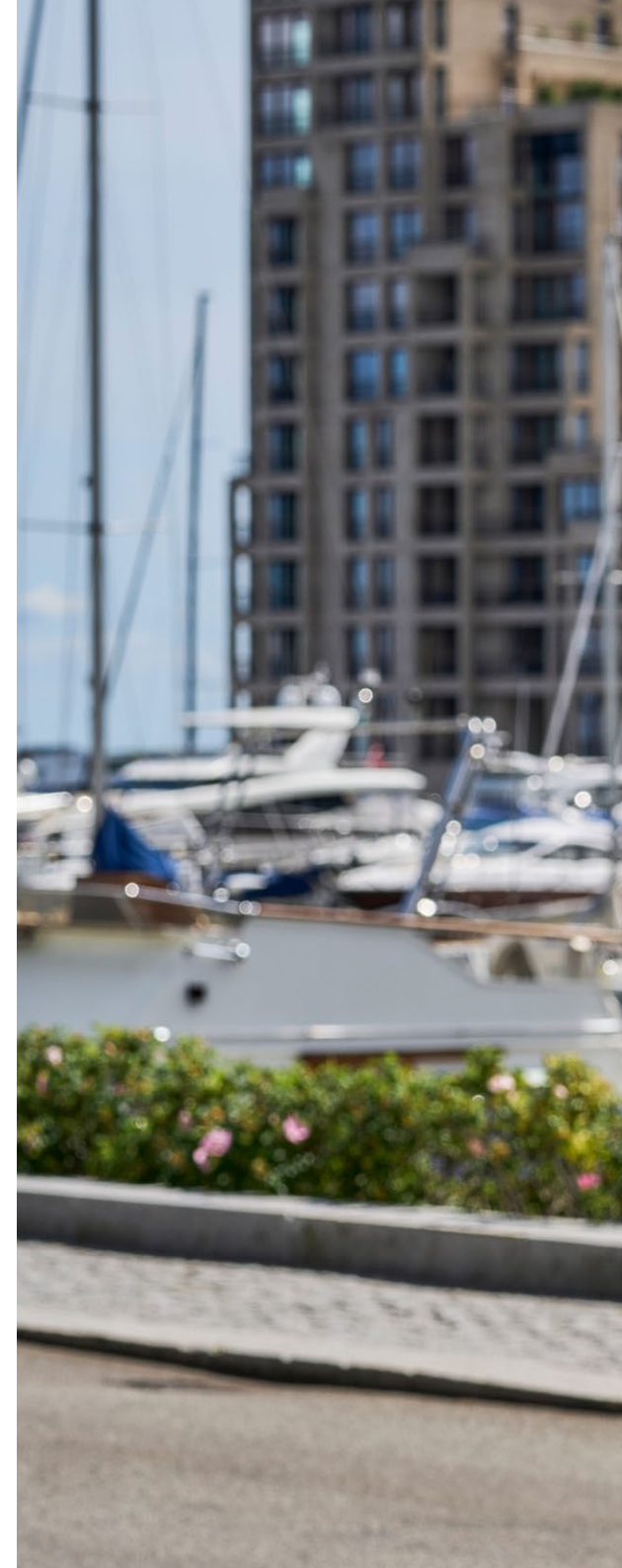
Pioneering the next wave of fuel solutions

Increased market volatility, supply chains disruptions and ongoing regulations along with the steadily rising demand for alternative fuels are putting immense pressure on the maritime industry worldwide. At the same time, a strong push for agile pricing solutions and smarter operations is transforming our industry's ways of working. The changing landscape of shipping has stressed the urgency to adapt in order for our company to continue to create value for the industry in the future. To embed this societal contract at the heart of our business, we have articulated a company purpose which is to inspire not only our team but also the industry to join the ride with us: "Pioneering the next wave of fuel solutions for people, business, and the environment".

Our new, ambitious strategy is only the latest proof of the company's agility and appetite for change. A change following our clients' demands and the industry's needs. And a change that is wholeheartedly backed by our owners who knows that a long-term investment is necessary if we are to push the industry forward in not just the coming years but also many more decades ahead.

Despite the changes and challenges, Dan-Bunkering stands strong. Our learnings and achievements have demonstrated the robustness and agility of the company in navigating volatile market conditions. This leaves me confident in the potential of our new strategy going forward.

I would like to thank our stakeholders for their continued support while offering a special thank you to our employees for their contributions and achievements, business partners for their cooperation, and owners for their confidence in us.





I am proud to do the introduction of this first annual report of the Dan-Bunkering Group. The previous years have tested Dan-Bunkering's agility and character like no other years before. Today, I write in recognition of our learnings, with pride of our accomplishments, and inspired by our extraordinary people across our company.

Claus Bulch Klausen
CEO

A global and trusted fuel solutions partner

Dan-Bunkering was founded in 1981 with the mission to pioneer the bunker trading business and fuel solutions for the maritime industry. And we have specialised in providing our customers with high-quality bunker fuel, lubricants, and other vessel services ever since.

With more than 90 fuel experts and local offices in more than 8 countries, we are committed to offering our comprehensive support and service – in all markets, ports and time zones.





Container



Bulk

40+
Years of
experience



Worldwide
delivery



MPP



Tank



Yacht



Cruise

90+
Fuel experts

11
Offices



Fishing



Offshore

FINANCIAL HIGHLIGHTS



Ulrik Silversparre Bodholdt
CFO

Financial highlights

The financial year 2022/23 ended with being a record year for the Dan-Bunkering Group. We operated through a year with unseen volatility in prices, new sanctions from the Russia/Ukraine war, merging with SABT and Amoil and produced great results underway all the way through to the end of the year.

Revenue

Revenue grew to an all-time high USD 4,1 billion up from USD 3,3 billion in 2021/22. The increase was driven by an increase in the average oil price across the year and the additions of SABT & Amoil to the Dan-Bunkering group.

Margins

Our margins ended at 1,9% for the year up from 1,3% last year. This brings it in line with previous years results and was driven by all segments.

Earnings

We succeeded in generating the best EBT result ever with USD 46 million up 74% from 2021/22 before special items. Our net loss on debtors compared to revenue was at 0,04% contributing to strong earnings and evidence of our rigorous focus on due diligence of our business partners.

Equity/Solvency

We continue to have a good solvency of 30% which underlines the financial strength we have as a group. It is important for us because it shows that we are a strong partner in the shipping industry and the financial strength we have enables us to navigate the volatile market we are still in.

The result exceeded our expectations for the fiscal year and going into a new year we expect lower earnings before tax around USD 20 – 30 million for FY 2023/24.

Key figures



Revenue

4,060

USDm



3,281

USDm

EBT

46

USDm



20

USDm

ROE

35.7%

FY 2022/23



23.5%

FY 2021/22

Key figures and financial ratios

Over a five-year period, the development of the Combined Group is described by the following financial highlights

USD'000	2022/23	2021/22	2020/21	2019/20	2018/19
INCOME STATEMENT					
Revenue	4,059,604	3,280,563	2,000,608	2,373,982	2,503,755
Gross profit	77,341	41,072	34,706	42,347	41,168
Earnings before interest and tax (EBIT)	46,631	18,464	17,533	25,819	26,198
Earnings before tax (EBT)	46,308	19,586	18,304	24,627	24,334
Earnings after tax (EAT)	36,823	15,116	15,052	20,799	19,219
BALANCE SHEET					
Fixed assets	1,581	1,295	1,797	1,555	1,598
Current assets	436,976	362,090	269,569	160,558	268,208
Total assets	438,557	363,385	271,366	162,113	269,806
Total equity	132,993	73,536	55,173	60,597	51,376
RATIOS					
Gross margin	1.9%	1.3%	1.7%	1.8%	1.6%
Return on equity	35.7%	23.5%	26.0%	37.1%	48.5%
Solvency ratio	30.3%	20.2%	20.3%	37.4%	19.0%
Number of employees	138	119	104	97	87

For definitions, see under accounting policies.

Strengthening the foundation for tomorrow

Dan-Bunkering is committed to the highest standards of compliance – individually, as a team and as a company. But compliance means more than just adhering to laws and regulations. Compliance forms the basis for all our business decisions and activities, and it is the key to the integrity when conducting business.

Ongoing sanctions and geo-political conflicts increase the complexity of dealing with risks and compliance in the shipping and maritime industry. The battle ground is constantly shifting, and international trade sanction policies are subject to frequent change depending on the political climate and global events.

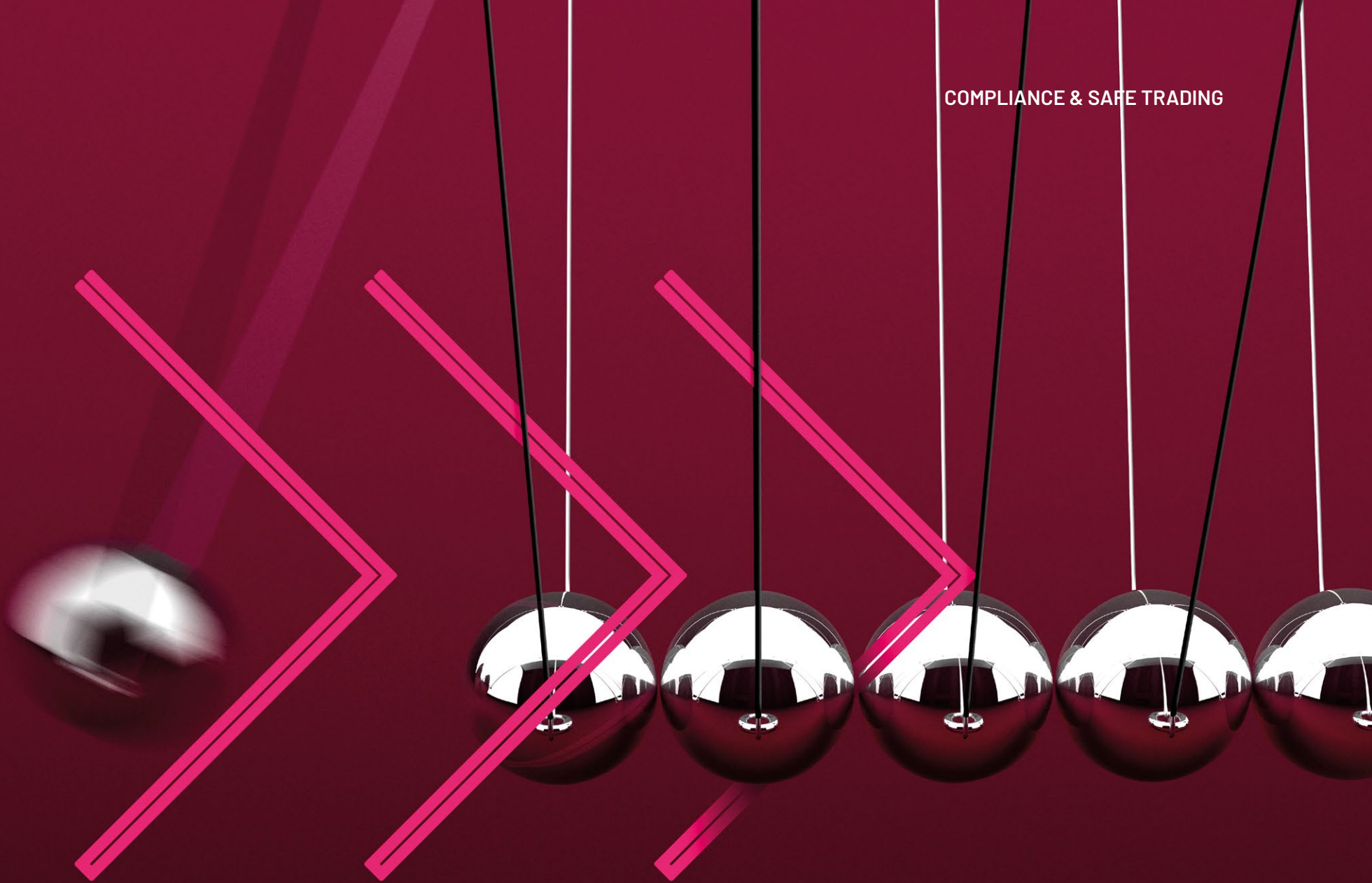
As part of our ambition to pioneer the next wave of fuel solutions, we are ready to help our customers step into a new era of safe trading. Already today, we perform compliance checks for our customers and suppliers, including extra checks for suspicious vessels or AIS downtime. Our compliance program and mandatory

training along with an anti-corruption, anti-trust and whistle-blower policy allow us to enforce policies against corruption and bribery.

We screen and evaluate all 3rd party payments to prevent money laundering. Lastly, we are committed to following GDPR policies. And we plan to expand our offerings and ultimately achieve fully automated compliance to alleviate the workload of the full supply chain.

A process of constant learning

In 2021, the Danish Court in Odense found that Dan-Bunkering's Kaliningrad branch should have known that the company's Russian clients could likely use the jet fuel supplied in the eastern Mediterranean in violations of EU sanctions against Syria. The case has obviously been a serious matter for Dan-Bunkering. We regard the entire case and the fact that the court reached the conclusion that EU sanctions were breached with the utmost gravity.





COMPLIANCE & SAFE TRADING

We have decided to be transparent about our learnings, as we feel a certain obligation to pass on our experiences to like-minded partners. Hopefully, many of our stakeholders could benefit from our knowledge and avoid a similar situation.

The case is a testament to the supply chain responsibility that lies upon us and others. Screening against sanctions lists and one's counterparts is necessary but not sufficient for ensuring compliance and avoiding risks. Effective Know-Your-Counterpart (KYC) due diligence is crucial to the supply chain and to accurately assess compliance risks. The case is an example of how negligence can lead to adverse transactions, and this does not reflect the DNA of our company.

We have made significant investments in building systems and procedures as well as upgrading our compliances, risk, and control capabilities. A focus area is also to actively nurture a culture under which our employees can speak up if they witness actions that might not meet our standards. We still have areas where we can improve and strengthen our ability and efforts, and we will never be in a position where there is nothing more to do.

Dan-Bunkering is committed to continuously monitoring, adapting, and innovating in order to stay ahead of the game in this fast-changing compliance landscape. We have come far, and continuing these efforts to preserve the integrity of our business and uphold our societal responsibility remains at the top of our agenda.

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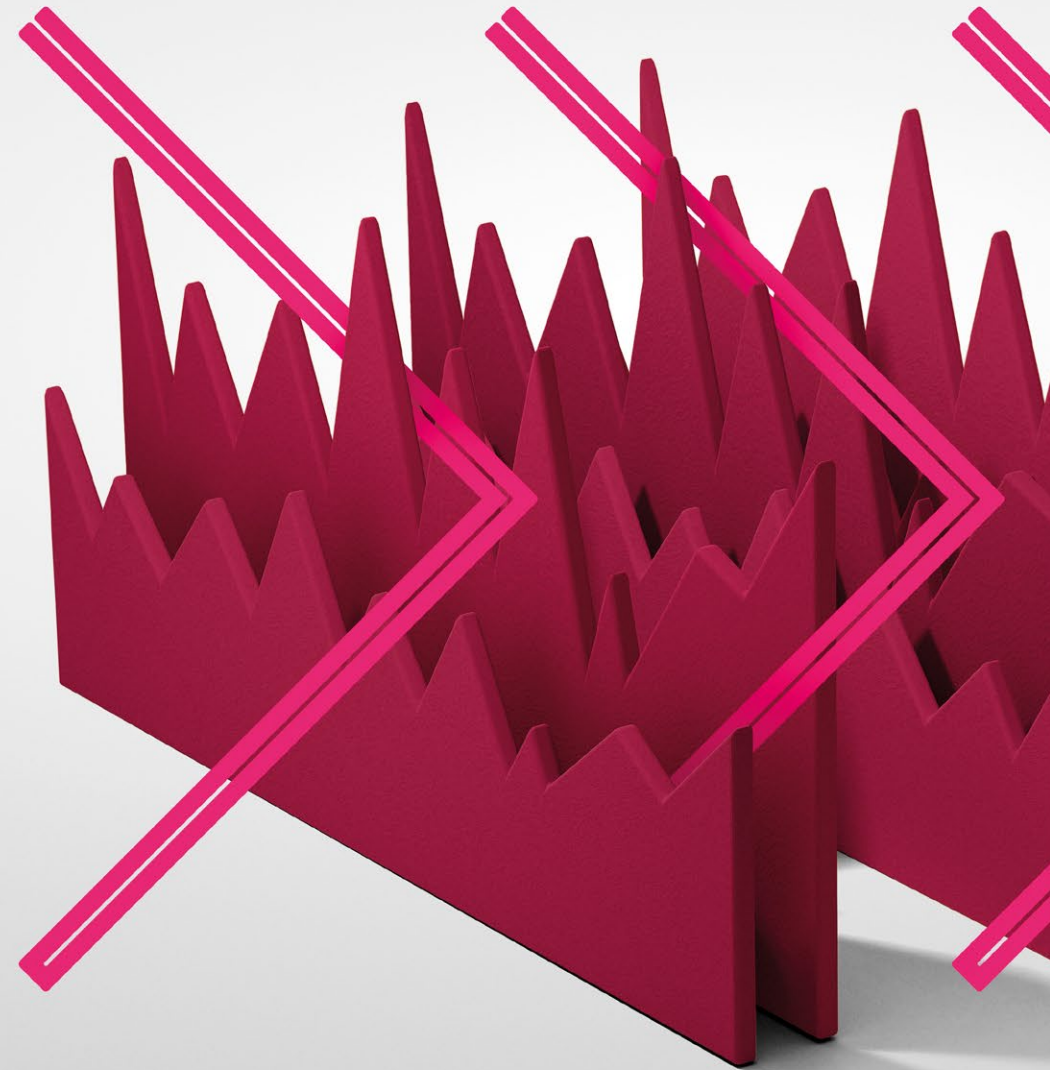
A market with highs and lows

Volatility is an intrinsic feature of the bunker fuel market. Volatility in prices, changes in regulations, supply chain shocks, and geopolitical tensions have turned the bunker fuel market into a highly dynamic and rapidly changing industry. And this will continue.

The previous year will properly go down as one of the most volatile years in history due to multiple contributing factors; the aftermath of COVID-19, the Russian invasion of Ukraine along with the prospect of a possible economic recession.

The invasion has had a major impact on the shipping market, as the conflict has disrupted the maritime trade. Increased sanctions against Russian related companies and interests. It has also forced vessels to find alternative shipping routes, resulting in longer transit times and higher costs.

Goods that would normally be shipped, especially through the Black Sea, are therefore subject to congestion, delays, and higher prices. This has





2022 has been an extraordinary year for the bunker oil market, with supply chain risks leading to increased volatility and elevated prices. But 2022 has also been a year where our people and our business model have continued to prove its value. We have been able to navigate safely through rough waters, providing our clients with safe trading, agile pricing and fuel solutions second to none.

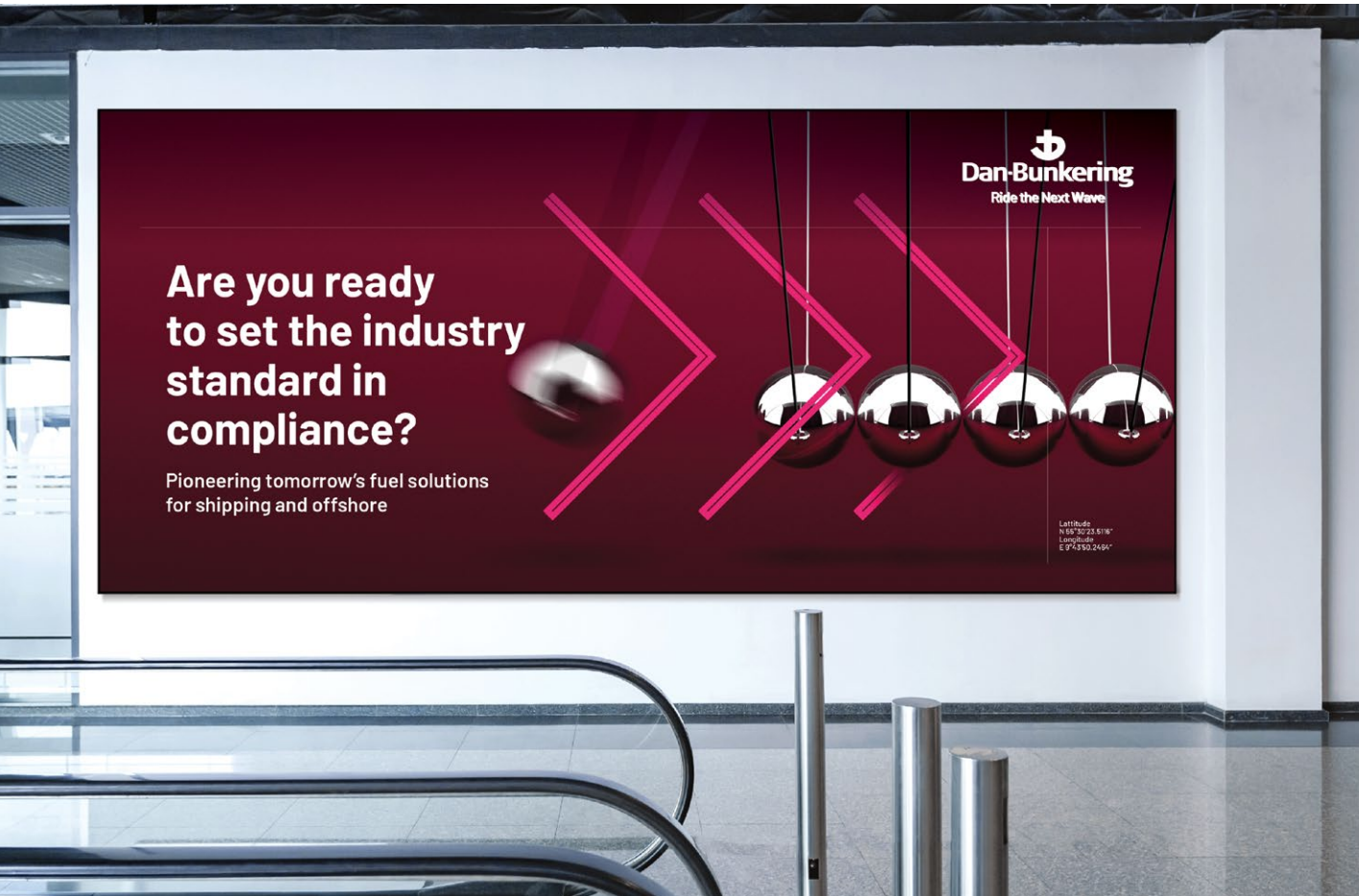
Morten Eggert Troen
COO

obviously affected the behaviour of our customers, resulting in us having to find alternative solutions for providing optimal fuel solutions. Dan-Bunkering took the consequence very early by ceasing all interactions with Russian counterparts, both on the client and the supplier side, before sanctions were implemented.

The uncertainty and disruption in the global shipping market caused by the Russian invasion has had a significant impact on the volatility of the oil market. Concerns about the energy export as well as the long-term impact of the invasion on the oil production also led to an increase in oil price and a volatility in the oil market, affecting the terms on which we do business.

By combining our deep knowledge of forward pricing with specialised insights into bunker prices and current market situations, we have throughout the year equipped our clients with risk management strategies and price setting tools to help balance out the market volatility and benefit from cost-control solutions. And as we continuously strive to understand our clients better, we work towards providing segment-specific value propositions, ensuring that our customers benefit from the best possible service and solutions to meet their individual needs.

REBRANDING



Our journey will not stop here. We will continue to pioneer the responsible movement within our industry and keep developing our strategy and services. I look forward to continuing this journey and development of Dan-Bunkering together with my colleagues.

Kristine Steenberg Henriksen
Digital Marketing Manager

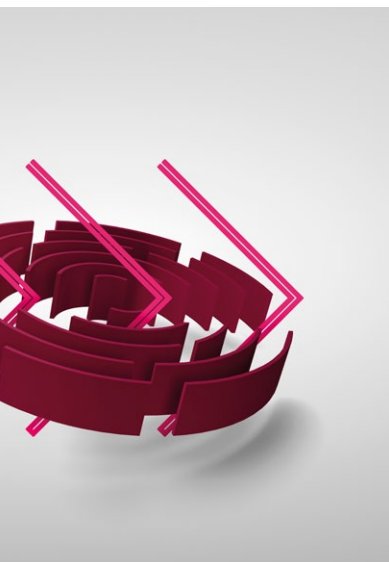


Redefining our DNA

Dan-Bunkering presents its rebranding that encapsulates our strong values and strategy. Now, a year after taking the very first steps on our rebranding journey, we are ready to shine a spotlight on our new visual identity and purpose statement: **Pioneering the next wave of fuel solutions for people, business, and the environment.**

One year ago, Dan-Bunkering embarked on an exciting branding journey. Following the mergers with Australia Bunkering, LQM, SABT, and Amoil, we needed to define a unified DNA and brand position. The timing of the rebranding was also to accommodate rapidly changing market conditions; customers' increased demands for specialists, new regulations, and new products entering the market.

The meticulous process of Dan-Bunkering's rebranding involved passion, dedication, and strong commitment from all our employees, management, and relevant stakeholders. The result is a fresh and contemporary visual identity, a new concept and purpose that reflects our strategy moving forward.



Ride the Next Wave

Dan-Bunkering's tagline Ride the Next Wave reflects the core concept of seizing opportunities while being in motion and in control. This mindset enables innovative ways to ensure progress in terms of ESG as well as driving one to stay at the forefront when facing challenges.

Not only does the concept define how we think, work, and conduct business today and long term, it is also fully integrated in our mindset and our four themes: *Agile Pricing & Financing, Safe Trading, Alternative Fuels & CO₂ Reduction, and Smart Operations.*

This mindset accommodates the shift in customer demands as the industry is seeing a movement from seeking specialists before generalists in a more complex world, demanding a high level of insight in an ever-changing field.

From traditional bunker trading to a purpose led company

Dan-Bunkering has transitioned from a role as a traditional bunker trading company to a modern fuel supplier. With more than 40 years of experience in the maritime industry, we possess expertise within every aspect of fuel solutions in different industries and customers' operations and through the entire value chain. This enables Dan-Bunkering to take a holistic approach while offering a dedicated partnership to all business partners.

Besides from a new corporate image, the journey has largely been focusing on business development and positioning our new unified brand in the market, but also a desire to use the latest technologies and tools within marketing and sales taking us to an even higher level.

Alternative fuels is the future of our industry

While international shipping is one of the primary drivers of world trade owing to its cost-effectiveness and energy efficiency, it is also a significant contributor to the emissions of greenhouse gases. Consequently, a sustainable global economy relies heavily on our industry, and the time to start actively supporting the decarbonisation is now.

Decarbonisation is perhaps the greatest challenge facing the maritime industry, in terms of its potential to redesign fundamental elements of our industry. The upcoming targets and regulations from the European Union (EU) and International Maritime Organisation (IMO)

will drive fundamental changes in how the global fleet is powered and fuelled. These changes will add complexity to the marine fuels market whilst also bringing new opportunities.

For the global fleet to move closer to fulfilling the long-term IMO greenhouse gas reduction objectives, considerable modifications to the vessel technology and fuels will be required. Only a comprehensive awareness of the underlying problems and the execution of strategic plans will allow for these changes to be implemented.

With the introduction of new fuels and technologies, ship design, and construction will be impacted, as well as port site facilities that handle alternative fuel distribution and bunkering. Long-term solutions like ammonia, hydrogen, and methanol are emerging as possibilities that will move the industry towards zero-carbon.





Pushing the industry forward

More than 99% of Dan-Bunkering's global carbon emissions come from the fuel we supply to our customers. So, in order for Dan-Bunkering to decarbonise, we need to help not only our clients but the entire industry in the transition towards alternative fuels. We understand that pioneering the next wave of alternative fuels is a long-term endeavour that requires collaboration across all stakeholders. That is why we are committed to both reducing our own impact and ensuring that our customers and suppliers receive the guidance they need to test and validate the latest alternative fuel solutions.



As the transition away from fossil fuels has begun, our clients and suppliers require partners that are ready to push the industry forward in the right direction. That we act on the ESG agenda in a way that can help more than ourselves and that we continue to provide seamless supplies. We are proud to invite everyone to embark on our journey toward pioneering the next wave of fuel solutions.

Mikkel Søholm Vestergaard
CCO

PEOPLE



Strengthening our social sustainability policies

We know that an attractive work environment is key to recruit, motivate and retain skilled people. That is why we have a number of global benefits supporting a flexible and inclusive work environment and a healthy work-life balance. However, we also have other initiatives that promotes an attractive and inclusive work environment where our employees can feel comfortable bringing their whole selves to work. The initiatives are based on ensuring mutual respect and understanding via ongoing global training modules, workshops, surveys, and procedures demonstrating that Dan-Bunkering is a visible supporter of equality, diversity, and appropriate behaviour.

Policies and activities

Parental leave policy

We are proud to offer all employees an attractive parental leave package of 20 weeks' paid leave, applicable for both the primary and secondary caretaker. The policy is supporting equal opportunities for all employees regardless of gender, position, or place of work. By ensuring that all our employees have access

to the same benefits of enjoying quality time with their newborn, adoptive or foster children, we support and promote a healthy and flexible work-life balance.

Senior policy and ambassador program

A smooth transition from a busy work-life to retirement is something we support and encourage. We believe that by giving our senior employees the opportunity to apply for a gradual decrease in working hours, we are embracing inclusivity and diversity in all stages of the career.

Further to that, we have a grand parental leave scheme, allowing grandparents to annually take 6 single days' leave to spend time with their grandchildren. The grand parental leave days are an addition to the already agreed and applicable leave entitlements of the employee.

Additionally, we are promoting a senior ambassador program, encouraging retired employees to attend selected internal and external events. Through this program, the retired employee has the opportunity to still be a part of the team after retirement and continuously nurture a professional network that has been built through a long career.

Stress policy

We are committed to ensuring that our leaders are provided with guidance on how to recognise symptoms of stress. We are in a fast-paced industry where we need to be extra attentive to symptoms of stress in order to take care of the health of our employees. That is why we have training and guidelines to assist our leaders to proactively prevent, identify, and manage cases of stress among their employees.



MANAGEMENT

From the left: Morten Eggert Troen, Claus Bulch Klausen, Mikkel Søholm Vestergaard, and Ulrik Silversparre Bodholdt



Management

Claus Bulch Klausen

CEO

Born in 1971
Employed in 2004
CEO since 2021

Special competences

Strategy
Organisational adoption
Leadership

Employment history

2021 - : CEO DB
2013 - 2021: Head of Operations / SVP,
Dan-Bunkering
2004 - 2013: Sales Manager, DB
Copenhagen
2001 - 2004: Addax & Oryx group
1999 - 2001: Chr. V. Mønsted
1997 - 1999: Malik Supply
1992 - 1997: Kuwait Petroleum (DK)

Education

Danish Business College degree

Mikkel Søholm Vestergaard

CCO

Born in 1979
Employed 2000 - 2006 and
returned in 2013
CCO since 2020

Special competences

Customised value propositions
Master service agreements
Customer supply solutions
People development

Employment history

2020 - : SVP / CCO DB
2018 - 2020: MD, DB Middelfart
2015 - 2018: MD, DB Houston
2013 - 2015: Trader, DB Middelfart
2006 - 2013: Danish Defence, Army
Branch
2000 - 2006: Trader, DB Middelfart

Education

Bachelor Military Strategies
HD-1

Morten Eggert Troen

COO

Born in 1972
Employed in 1993
COO since 2019

Special competences

New markets and acquisitions
Greenfield ops.
Key Account Management
Strategy and Market research

Employment history

2019 - : SVP / COO DB
2017 - 2019: CEO LQM Petroleum
2016 - 2017: Group Business
Development Director,
Bunker Holding
2013 - 2016: Cluster Head Independent
brands, Bunker Holding
2000 - 2013: Business Development
Manager, Bunker Holding
1993 - 2000: Trader, DB Middelfart

Education

Insead Exe management
Rhetorica communication
Six Sigma Economy

Ulrik Silversparre Bodholdt

CFO

Born in 1984
Employed in 2020 as CFO

Special competences

Business partnering
Strategy
Financial reporting
M&A and reorganization
Leadership

Employment history

2020 - : CFO Dan-Bunkering
2011 - 2019: Audit Manager &
Department leader at
Deloitte

Education

MSc in Business Administration &
Auditing from Copenhagen
Business School

Courses at Harvard University and
Hawaii Pacific University

Consolidated Financial Statements

Income Statement

1 MAY - 30 APRIL

USD'000	Note	2022/23	2021/22
Revenue	1	4,059,604	3,280,563
Costs of goods sold		(3,959,116)	(3,216,648)
Other operating income		6,501	2,292
Other external expenses	2	(29,648)	(25,135)
Gross profit/loss		77,341	41,072
Staff expenses	3	(30,145)	(20,883)
Depreciation, amortisation and impairment		(565)	(1,725)
Earnings before interest and tax (EBIT)		46,631	18,464
Financial income	4	3,282	2,760
Financial expenses	4	(3,605)	(1,638)
Earnings before tax (EBT)		46,308	19,586
Corporation tax	5	(9,485)	(4,470)
Earnings after tax (EAT)		36,823	15,116

CONSOLIDATED FINANCIAL STATEMENTS

Balance Sheet

30 APRIL

ASSETS

USD'000	Note	2023	2022
IT equipment & software		109	119
Property, plant and equipment		1,472	1,176
Fixed assets	6	1,581	1,295
Trade receivables		253,234	192,965
Receivables from group entities		95,450	105,189
Receivables from group entities, term receivable		71,880	57,428
Tax receivables		4	103
Other receivables		11,494	4,724
Deferred tax asset		2,336	122
Receivables		434,398	360,531
Cash at bank and in hand		2,578	1,559
Current assets		436,976	362,090
Assets		438,557	363,385

Balance Sheet

30 APRIL

LIABILITIES AND EQUITY

USD'000	Note	2023	2022
Share capital		17,034	4,295
Retained earnings		115,959	69,241
Equity		132,993	73,536
Trade payables		182,005	203,381
Payables from group entities		89,191	70,160
Payables from group entities, term loan		14,489	6,022
Lease liabilities		84	65
Corporation tax		7,034	2,746
Other payables		12,761	7,475
Short-term debt		305,564	289,49
Debt		305,564	289,849
Liabilities and equity		438,557	363,385
Contingent assets, liabilities and other financial obligations	7		
Related parties	8		
Fee to auditors appointed at the general meeting	9		
Subsequent events	10		
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Statement of changes in Equity

1 MAY - 30 APRIL

USD'000	Share capital	Retained earnings	Total
Equity at 1 May	4,295	69,241	73,536
Capital increase	12,739	3,632	16,371
Dividends to shareholders	0	-45,000	-45,000
Other equity movements	0	51,263	51,263
Net profit/loss for the year	0	36,823	36,823
Equity at 30 April	17,034	115,959	132,993

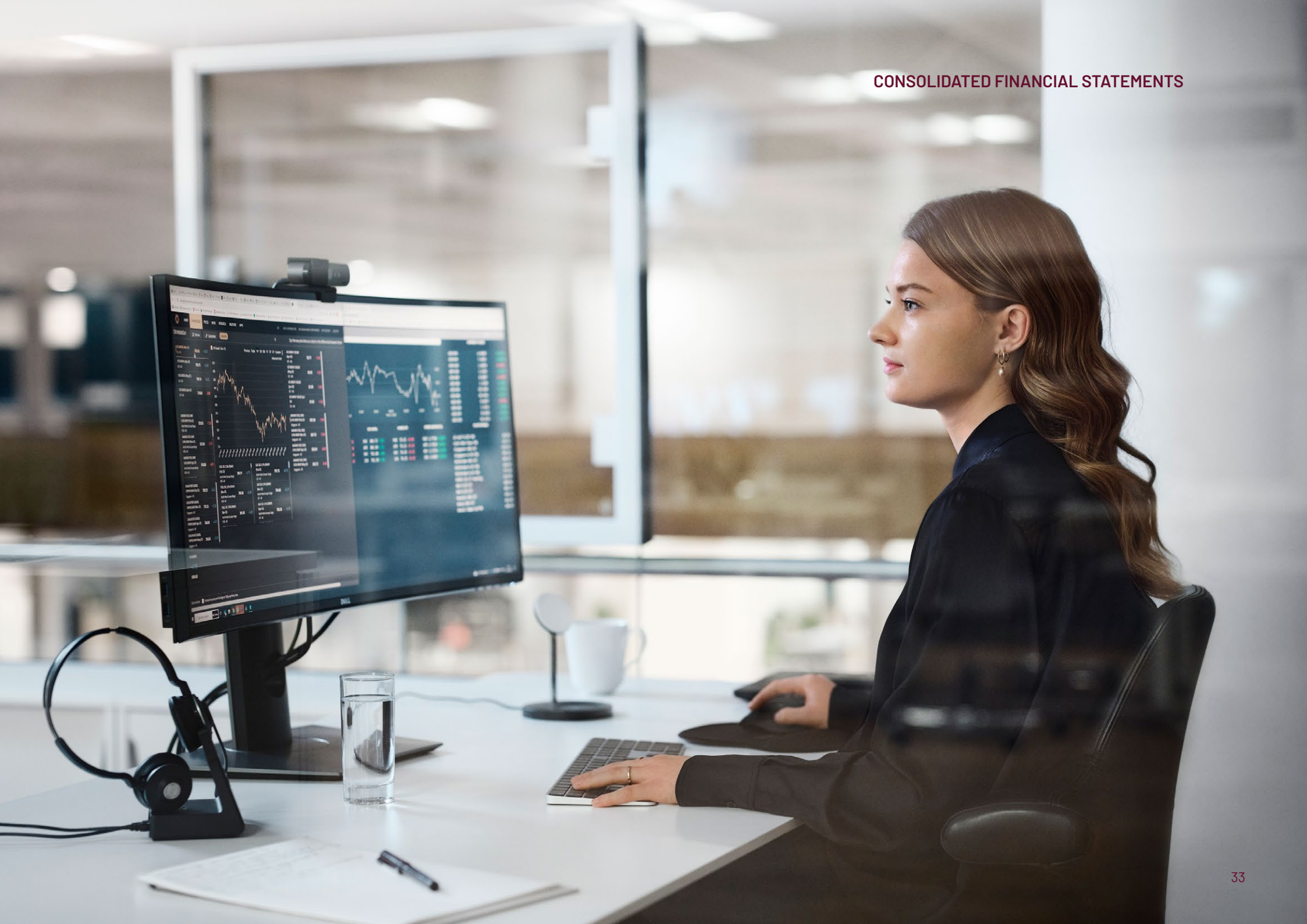
CONSOLIDATED FINANCIAL STATEMENTS

Cash flow statement

USD'000	2023	2022*
Earnings before interest and tax (EBIT)	46,631	21,734
Depreciation, amortisation and impairment	565	1,803
Changes in receivables	2,469	(83,438)
Changes in trade payables, other payables, etc	(9,549)	75,603
Cash flow from operating activities before financial items and tax	40,116	15,702
Financial income received	3,282	2,760
Financial expenses paid	(3,605)	(1,638)
Corporation tax paid	(5,089)	(3,415)
Other adjustments	3,356	(9,180)
Cash flow from operating activities	38,060	4,229
Purchase of intangible assets	(83)	(33)
Purchase of property, plant and equipment	(671)	(460)
Sale of property, plant and equipment	59	201
Cash flow from investing activities	(695)	(292)

USD'000	2023	2022*
Repayment of borrowings	8,541	(3,593)
Changes in bank borrowings	(261)	(253)
Dividend paid	(45,000)	0
Cash flow from financing activities	(36,720)	(3,846)
Change in cash and cash equivalents	645	91
Cash and cash equivalents at 1 May	1,933	1,842
Change in cash and cash equivalents	645	91
Cash and cash equivalents at 30 April	2,578	1,933

*2022 includes SABT activities to show a full year to year comparison



Notes to the Financial Statements

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Note 1 – Revenue

USD'000	2022/23	2021/22
The Combined Group's activities are considered one segment.		
Geographical segments		
Europe	1,079,725	836,343
Americas	1,161,946	1,036,400
Asia	1,394,900	1,305,796
Rest of world	423,033	102,024
Total	4,059,604	3,280,563

Note 2 – Special items

USD'000	2022/23	2021/22
Legal case expense	0	6,939
Total	0	6,939

Note 3 – Staff expenses

USD'000	2022/23	2021/22
Wages and salaries	26,108	17,628
Pensions	1,004	805
Other social security expenses	3,033	2,450
Total	30,145	20,883
Average number of employees	138	119

Note 4 – Financial income & expenses

USD'000	2022/23	2021/22
Interest income	3,282	2,760
Interest expenses	(2,994)	(1,217)
Net foreign exchange gains/losses	(147)	(49)
Securities, capital losses	(464)	(372)
Total	(323)	1,122

Note 5 – Tax on profit/loss for the year

USD'000	2022/23	2021/22
Current tax for the year	(10,252)	(4,670)
Deferred tax for the year	(257)	179
Adjustment of tax concerning previous years	1,024	21
Total	(9,485)	(4,470)

NOTES TO THE FINANCIAL STATEMENTS

Note 6 – Fixed assets

USD'000	IT equipment & software	Property, plant and equipment
Cost at 1 May	593	2,753
Additions for the year	83	671
Disposals for the year	(77)	(499)
Exchange rate adjustment	(25)	(32)
Acquired in business combinations	39	135
Cost at 30 April	613	3,028
Impairment losses and depreciation at 1 May	(474)	(1,577)
Depreciation for the year	(118)	(444)
Reversal of impairment and depreciation of sold assets	72	443
Exchange rate adjustment	16	22
Impairment losses and depreciation at 30 April	(504)	(1,556)
Carrying amount at 30 April	109	1,472

Note 7 – Contingent assets, liabilities and other financial obligations

The Combined Group is an obligor in respect of the bank loans of the group companies. As at 30 April 2023, these obligations were limited to USD 132,993k, which is equal to the Combined Groups' equity and its subsidiary's intra-group liability to Bunker Holding A/S as at 30 April 2023.

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 the Combined Group in an amount equaling the part of the obligations which relate to the Combined Group and its subsidiary's intra-group liability to Bunker Holding A/S.

USD'000	2023
Rental and lease obligations	
Lease obligations under operating leases. Total future lease payments:	
Within 1 year	1,513
Between 1 and 5 years	3,259
Total	4,772

Note 8 – 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.

Transactions

The Combined Group has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements

The Combined Group is included in the Consolidated Financial Statements of the immediate Parent Company,

Name	Place of registered office
Bunker Holding A/S	Middelfart, Denmark

The Company's ultimate Parent Company which prepares Consolidated Financial Statements is SelfGenerations T ApS, in which Torben Østergaard-Nielsen, CEO, exercises control.

Note 9 – Subsequent events

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

NOTES TO THE FINANCIAL STATEMENTS

Note 10 – Accounting Policies

The Annual Report of Dan-Bunkering Group for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Financial Statements for 2022/23 are presented in USD '000.

Basis of Preparation

The Combined Group is not a legal group, but a number of groups and entities owned by A/S Dan-Bunkering Ltd. and Bunker Holding A/S. The groups and entities included in the Combined Group Annual Report for Dan-Bunkering Group are (together referred to as “the Combined Group”):

A/S Dan-Bunkering Ltd.
Dan-Bunkering (America) Inc.
Dan-Bunkering (Connecticut) LLC - From 2021/22
Dan-Bunkering (Australia) Pty. Ltd.
Dan-Bunkering (Middle East) DMCC
Dan-Bunkering (Monaco) SAM
Dan-Bunkering (Singapore) Pte. Ltd.
Dan-Bunkering (Africa) Ltd. - From 2022/23
Dan-Bunkering (South Africa) Pty. Ltd. - From 2022/23
Dan-Bunkering (Angola) Limitada - From 2022/23

The Combined Group Annual Report are prepared on the basis of a consolidation of the separate financial statements for the above mentioned entities. Separate financial statements have been prepared for these entities

Eliminations are made of inter group and intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the Combined Group's and entities.

The Combined entities included in the Combined Group Annual Report have not operated as a single entity. The Combined Group Annual Report are, therefore, not necessarily indicative of

results that would have occurred if the groups and entities had operated as a single business during the year presented or of future results of the combined entities.

Other than the basis for consolidation, the Combined Group Annual Report has been prepared in accordance with the recognition and measurement criteria's of the Danish Financial Statements Act applying to large enterprises of reporting class C and with the disclosures determined relevant by Management. The accounting policies are further detailed below.

Recognition and measurement

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

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are 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 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

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

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

Translation policies

Transactions in foreign currencies are translated 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 that have not been settled at the balance sheet date 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 section on hedge accounting.

Income statements of foreign subsidiaries and associates 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 classified as "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 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. Changes in the fair values of derivative financial instruments that

are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve 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 on revenue

Segment information on activities is presented. The distribution of net revenue by business area does not differ significantly from each other.

Income statement

Net sales

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected 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.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

NOTES TO THE FINANCIAL STATEMENTS

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

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

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

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 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 companies. The tax effect of the joint taxation with the subsidiaries 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 less any accumulated 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. Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period. Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment 3-6 years

Leasehold improvements 5 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments 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. If so, 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.

Fixed asset investments

Fixed asset investments, which consist of securities, are measured at the fair value at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Other fixed asset investments

Other fixed asset investments consist of deposits.

NOTES TO THE FINANCIAL STATEMENTS

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.

Prepayments

Prepayments under assets comprise prepaid expenses.

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 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

Loans, such as loans from credit institutions, 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.

Financial Highlights

Explanation of financial ratios

Gross margin	=	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Solvency ratio	=	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	=	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$



Management's statement

The Board of Directors of A/S Dan-Bunkering Ltd. and the Executive Board of A/S Dan-Bunkering Ltd. have today considered and adopted the Combined Group Annual Report of Dan-Bunkering Group for the financial year 1 May 2022 – 30 April 2023. The groups and entities (Combined Group) included in the Combined Group Annual Report are set out in the Basis for Preparation section of the Accounting policies on page 38.

The Combined Group Annual Report is prepared in accordance with the Accounting policies as stated on the page 38–41.

In our opinion, the Combined Group Annual Report is prepared in accordance with the Accounting policies described on page 38–41.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

Middelfart, 22 June 2023

Executive Board, A/S Dan-Bunkering Ltd.



Claus Bulch Klausen

Board of Directors, A/S Dan-Bunkering Ltd.



Keld Rosenbæk Demant
CHAIRMAN



Christoffer Berg Lassen



Michael Krabbe

Independent Auditor's Report

To the shareholders of the Combined Group

Opinion

In our opinion, the Combined Financial Statements for the groups and entities (together "the Combined Group") set out in the Basis for Preparation section of the Accounting policies on page 38 are prepared, in all material respects, in accordance with the Accounting policies described on page 38-41.

What we have audited

The accompanying Combined Financial Statements of the Combined entities ("the Combined Financial Statements") comprise:

- the combined statement of financial position as at April 30, 2023;
- the combined statement of profit and loss for the year then ended;

- the combined statement of changes in equity for the year then ended;
- the combined statement of cash flows for the year then ended; and
- the notes to the combined financial statements, which include accounting policies and other explanatory information.

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 Combined

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

Independence

We are independent of the Combined entities 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.

Emphasis of Matter - Basis of accounting and restriction of use

We draw attention to the fact that, as described in the Basis of Preparation section of the Accounting policies on page 40, the entities included in the Combined Financial Statements have not operated as single entity. These combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the entities had operated as a single business or a group during the year presented or of future results of the Combined entities.

Further, we draw attention to the accounting policies applied including the selection of disclosures described in the Basis of Preparation section of the Accounting policies on page 40-41.

The combined financial statements are prepared to provide the board of directors of A/S Dan-Bunkering Ltd. with financial information of the financial position and results of the Combined entities. As a result, the combined financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises Management's Review.

Our opinion on the Combined Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Combined Financial Statements, our responsibility is to read the

other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Combined Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance of the combined entities

Management is responsible for the preparation of the combined financial statements in accordance with the Accounting policies on page 38-41, for determining that the basis of preparation is acceptable in the circumstances, and for such internal control as management determines is necessary to enable the preparation of Combined Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is responsible for assessing the entities'

ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Those charged with governance of Dan-Bunkering Group are responsible for overseeing the financial reporting process of the Combined entities and for the Combined Financial Statements.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Combined 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 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 Combined Financial Statements.

INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Combined 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 internal control of the Combined entities.
- 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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of Combined entities. 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 combined 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 Combined entities to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the combined businesses to express an opinion on the Combined Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Combined Financial Statements. We remain solely responsible for our audit opinion.

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, 22 June 2023

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Lasse Berg
State Authorised Public Accountant
mne35811





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