

**Wrist Marine Supplies A/S
Central Business Registration No
30581326**

Annual report 2013

The Annual General Meeting adopted the annual report on 30.05.2014

Chairman of the General Meeting

Name: Jim Pedersen

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Entity details

Entity

Wrist Marine Supplies A/S
Stigsborgvej 60
9400 Noerresundby

Central Business Registration No: 30581326

Registered in: Aalborg, Denmark

Financial year: 01.01.2013 - 31.12.2013

Phone: +4598127277

Fax: +4598167277

Board of Directors

Jim Pedersen
Jane Dahl Christensen
Götz Lehsten
Morten Skou

Executive Board

Morten Skou

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Gøteborgvej 18
9200 Aalborg SV

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Wrist Marine Supplies A/S for the financial year 01.01.2013 - 31.12.2013.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2013 and of the results of its operations for the financial year 01.01.2013 - 31.12.2013.

We recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 30.05.2014

Executive Board

Morten Skou

Board of Directors

Jim Pedersen

Jane Dahl Christensen

Götz Lehsten

Morten Skou

Independent auditor's reports

To the owners of Wrist Marine Supplies A/S

Report on the financial statements

We have audited the financial statements of Wrist Marine Supplies A/S for the financial year 01.01.2013 - 31.12.2013, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility 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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2013 and of the results of its operations for the financial year 01.01.2013 - 31.12.2013 in accordance with the Danish Financial Statements Act.

Copenhagen, 30.05.2014

Deloitte

Statsautoriseret Revisionspartnerselskab

Lynge Skovgaard
State Authorised Public Accountant

Anders Gjelstrup
State Authorised Public Accountant

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The Annual Report of Wrist Marine Supplies A/S and related companies are incorporated in the group account of OW Bunker A/S.

Changes in accounting policies

The company has changed its accounting policy after which the functional currency has been changed from Danish Kroner (DKK) to US Dollars (USD). The change has been made seeing that the transactions of the company are predominantly USD based. The company believes that the change of currency will prove to provide a more accurate picture of the financial situation of the company.

The company has changed its accounting policy after which income from investment in subsidiary comprises dividend from the individual group enterprises in the financial year. Previously the proportional share of the post tax profit or loss of subsidiaries, after full elimination of intercompany profit and losses was recognised in the parent company's income statement.

The company has changed its accounting policy after which investment in subsidiary is measured at cost and is written down to the lower of recoverable amount and carrying amount. Previously investment was recognised according to the equity method.

Comparative figures have been modified to comply with the new accounting policy. The impact of the changed accounting policy has reduced the equity at 1 January 2012 by USD 28.5 million and the profit for the year in 2012 with USD 60.9 million.

In addition to this, the used accounting policy remains unchanged compared to that of last year.

Recognition and measurement

Revenues are recognised in the profit and loss account for the reporting period as they are earned. When determining whether revenues are considered earned, the following criteria apply:

- a binding sales agreement has been concluded.
- the sales price has been agreed.
- delivery has occurred.
- payment has been received or is very likely to be received.

Accounting policies

Furthermore, expenses incurred to generate earnings, including amortisation, depreciation, impairment and provisions, are recognised in the profit and loss account. In addition, changes in accounting estimates made in prior years affect the profit and loss account.

Assets are recognised in the balance sheet when it is probable that future financial benefits will accrue to the Company and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will be lost by the Company, and the value of the liabilities can be measured reliably.

Assets and liabilities are initially recognised at cost. They are subsequently recognised as described below under each individual item.

At the recognition and measurement stage, consideration is taken of any foreseeable risks and losses existing prior to the presentation of the Annual Report that confirm or disconfirm situations prevailing at the balance sheet date.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in USD, which is the Group's presentation currency and the functional currency of the parent company as well as most of the Group's entities.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in financial items.

The results and financial position of all of the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet; income and costs for each income statement are translated at average exchange rates. All resulting exchange differences are recognised in other comprehensive income.

Accounting policies

Income statement

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment.

Other external expenses

Other external expenses comprise expenditure related to distribution, sales, advertising, administration, premises, bad debts etc.

Staff costs

Staff costs comprise salaries and wages, social security costs, pensions, etc. to the employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment concern amortisation, depreciation and impairment of goodwill and property, plant and equipment. Amortisation/depreciation is based on an ongoing assessment of the useful life and residual value of the assets.

Gains and losses on the sale of intangible assets and property, plant and equipment are recognised in amortisation, depreciation and impairment.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of the assets. The depreciation periods, which are calculated on the basis of historical cost and revaluation, are as follows:

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

The book value of property, plant and equipment is assessed annually to determine whether there is any indication of excess impairment. In case of such indication, the value of the assets is written down accordingly.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

The tax charge for the year, which includes current tax and changes in deferred tax, is recognised in the profit and loss account with the amount that can be attributed to the profit or loss for the year and directly in shareholders' equity with the amount that can be attributed to items taken directly to shareholders' equity. The

Accounting policies

part of tax for the year relating to the extraordinary profit for the year is allocated to extraordinary profit, while the remaining part is allocated to the ordinary profit for the year.

Current tax payable or receivable is recognised in the balance sheet as the estimated tax charge on the taxable income for the year, adjusted for tax paid on account.

The Parent company is taxed on a consolidated basis with its Danish subsidiaries. Current Danish corporation tax is allocated to the tax-consolidated companies in proportion to their taxable incomes (full allocation subject to reimbursement in respect of tax losses).

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are recognised at cost less accumulated depreciation and impairment. Cost includes the cost of acquisition plus expenses directly related to the acquisition up to the time the asset is ready to be put into operation.

Gains and losses on the sale of equipment are determined as the difference between the sales price less sales costs and book value at the time of sale. Gains and losses are recognised in the profit and loss account as a correction to depreciation and impairment or in other operating income with the amount of the sales price exceeding historical cost.

Investments in group enterprises

Investments in subsidiaries are measured at cost and are written down to the lower of recoverable amount and carrying amount.

Other securities are recognised at market value at the balance sheet date if they are listed. Otherwise, they are recognised at estimated fair value.

Securities revaluation is recognised in the profit and loss account under financial items.

Receivables

Receivables are measured at amortised cost less provisions for bad debts. Provisions for bad debts are computed on the basis of an individual assessment of the receivables.

Deferred tax

Deferred tax on all temporary timing differences between the accounting and tax value of assets and liabilities is recognised, and the tax value of the assets is determined on the basis of the planned use of the individual asset.

Accounting policies

Deferred tax is measured on the basis of the tax rules and tax rates in the countries concerned which, at the balance sheet date, will apply when the deferred tax charge is expected to become a current tax charge. Changes in deferred tax resulting from changes in tax rates are recognised in the profit and loss account.

Deferred tax assets, including the tax value of tax losses carried forward, are recognised in the balance sheet at the value at which they are expected to be realised, either by set-off against deferred tax liabilities or as net tax assets.

Deferred tax concerning the recapture of tax losses in foreign subsidiaries is recognised based on a specific assessment of the intended use of such subsidiaries.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Financial liabilities are recognised at the value of proceeds received less transaction costs incurred at the time loans are raised. In subsequent periods, financial liabilities are recognised at amortised cost, corresponding to the capitalised value using the effective interest rate in order that the difference between the proceeds and the nominal value of the loan is recognised in the profit and loss account over the term of the loan.

Capitalised residual lease commitments are also recognised under financial liabilities.

Other liabilities, including trade creditors, payables to subsidiaries and associated companies and other debt, are recognised at amortised cost.

Income statement for 2013

	<u>Notes</u>	<u>2013 USD'000</u>	<u>2012 USD'000</u>
Other operating income		985	955
Other external expenses		<u>(225)</u>	<u>(189)</u>
Gross profit/loss		760	766
Staff costs	1	(2.166)	(1.410)
Depreciation, amortisation and impairment losses	2	<u>(10)</u>	<u>(36)</u>
Operating profit/loss		(1.416)	(680)
Other financial expenses	3	<u>(5.703)</u>	<u>(2.431)</u>
Profit/loss from ordinary activities before tax		(7.119)	(3.111)
Tax on profit/loss from ordinary activities	4	<u>994</u>	<u>442</u>
Profit/loss for the year		<u>(6.125)</u>	<u>(2.669)</u>
 Proposed distribution of profit/loss			
Retained earnings		<u>(6.125)</u>	<u>(2.669)</u>
		<u>(6.125)</u>	<u>(2.669)</u>

Balance sheet at 31.12.2013

	<u>Notes</u>	<u>2013 USD'000</u>	<u>2012 USD'000</u>
Other fixtures and fittings, tools and equipment		0	131
Property, plant and equipment	5	<u>0</u>	<u>131</u>
Investments in group enterprises		895.980	227.715
Fixed asset investments	6	<u>895.980</u>	<u>227.715</u>
Fixed assets		<u>895.980</u>	<u>227.846</u>
Deferred tax assets		490	1.703
Other short-term receivables		278	0
Income tax receivable		2.189	1.128
Prepayments		1.693	0
Receivables		<u>4.650</u>	<u>2.831</u>
Cash		<u>1</u>	<u>147</u>
Current assets		<u>4.651</u>	<u>2.978</u>
Assets		<u>900.631</u>	<u>230.824</u>

Balance sheet at 31.12.2013

	<u>Notes</u>	<u>2013 USD'000</u>	<u>2012 USD'000</u>
Contributed capital	7	1.270	1.270
Retained earnings		<u>866.873</u>	<u>181.271</u>
Equity		<u>868.143</u>	<u>182.541</u>
Bank loans		<u>0</u>	<u>37.550</u>
Non-current liabilities other than provisions		<u>0</u>	<u>37.550</u>
Current portion of long-term liabilities other than provisions		0	4.418
Trade payables		95	64
Debt to group enterprises		11.475	5.780
Other payables	8	<u>20.918</u>	<u>471</u>
Current liabilities other than provisions		<u>32.488</u>	<u>10.733</u>
Liabilities other than provisions		<u>32.488</u>	<u>48.283</u>
Equity and liabilities		<u><u>900.631</u></u>	<u><u>230.824</u></u>
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		
Related parties with control	11		
Consolidation	12		
Main activity	13		

Statement of changes in equity for 2013

	Contri- buted capital USD'000	Retained earnings USD'000	Total USD'000
Equity beginning of year	1.270	181.271	182.541
Additions to (disposals of) equity through mergers and business combinations	0	916.623	916.623
Extraordinary dividend paid	0	(224.896)	(224.896)
Profit/loss for the year	0	(6.125)	(6.125)
Equity end of year	1.270	866.873	868.143

Notes

	2013	2012
	USD'000	USD'000
1. Staff costs		
Wages and salaries	2.162	1.404
Pension costs	2	2
Other social security costs	2	4
	2.166	1.410
	2013	2012
	USD'000	USD'000
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	10	36
	10	36
	2013	2012
	USD'000	USD'000
3. Other financial expenses		
Financial expenses from group enterprises	433	236
Interest expenses	1.647	1.806
Exchange rate adjustments	1.107	4
Other financial expenses	2.516	385
	5.703	2.431
	2013	2012
	USD'000	USD'000
4. Tax on ordinary profit/loss for the year		
Current tax	(1.111)	(791)
Change in deferred tax for the year	170	349
Adjustment relating to previous years	(89)	0
Effect of changed tax rates	36	0
	(994)	(442)

Notes

	Other fixtures and fittings, tools and equipment USD'000
5. Property, plant and equipment	
Cost beginning of year	182
Exchange rate adjustments	3
Disposals	(185)
Cost end of year	0
Depreciation and impairment losses beginning of the year	(51)
Depreciation for the year	(10)
Reversal regarding disposals	61
Depreciation and impairment losses end of the year	0
Carrying amount end of year	0

	Investments in group enterprises USD'000
6. Fixed asset investments	
Cost beginning of year	227.715
Addition through merger and business combinations	668.265
Cost end of year	895.980
Carrying amount end of year	895.980

	Registered in	Corporate form	Equity interest %	Equity USD'000	Profit/loss USD'000
Subsidiaries:					
O.W. Bunker & Trading A/S	Aalborg	A/S	100,00	46.249	73.092

7. Contributed capital

The share capital has according to the register of shareholders a nominal value of DKK 7.053.546 and consist of: 7.053.546 shares of DKK 1.

No shares have any special right.

Notes

	2013	2012
	USD'000	USD'000
8. Other short-term payables		
Wages and salaries, personal income taxes, social security costs, etc. payable	935	374
Other costs payable	19.983	97
	20.918	471
	2013	2012
	USD'000	USD'000
9. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	0	26.859
	2013	2012
	USD'000	USD'000
10. Contingent liabilities		
Recourse and non-recourse guarantee commitments	0	48.205
Contingent liabilities	0	48.205

The company has guaranteed debt to suppliers and authorities. The counterparty may claim the security for any unpaid amount due from the company. At the reporting date all liabilities

Joint liability:

The company is included in a Danish joint tax assessment with Wrist Adm ApS as administration company. The company is jointly and severally liable according to the corporate tax act of 1 July 2012 for eventual liabilities to include withholding tax on interests, royalties and dividend for the joint assessment companies..

11. Related parties with control

Altor Fund II GP Limited as general partner or investment manager for Altor Fund II is controlling OW Bunker A/S, Aalborg.

Related parties of the company are constituted by the parent company OW Bunker A/S, Aalborg and the parent companies of the company.

Related parties of the Group with significant influence comprise members of the board of directors and key management personnel.

In the financial year, transactions with related parties are priced according to the prevailing market conditions.

Notes

12. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

OW Bunker A/S, Aalborg, Denmark

13. Main activity

The company's activity is to hold shares in O.W. Bunker & trading A/S.