
Recraft Energy A/S

c/o TMF Denmark A/S H.C. Andersens Boulevard
38, 3. th, DK-1553 København V

Annual Report for 1 October 2021 - 30 September 2022

CVR No 42 19 65 76

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
16/01 2023

Morten Rudebeck
Henriksen
Chairman of the General
Meeting



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Contents

| | <u>Page</u> |
|--|-------------|
| Management's Statement and Auditor's Report | |
| Management's Statement | 1 |
| Independent Auditor's Report | 2 |
| Company Information | |
| Company Information | 4 |
| Financial Statements | |
| Income Statement 1 October - 30 September | 5 |
| Balance Sheet 30 September | 6 |
| Statement of Changes in Equity | 8 |
| Notes to the Financial Statements | 9 |

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Recraft Energy A/S for the financial year 1 October 2021 - 30 September 2022.

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 September 2022 of the Company and of the results of the Company operations for 2021/22.

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

Copenhagen, 16 January 2023

Executive Board

Morten Rudebeck Henriksen
CEO

Mads Holm
CEO

Board of Directors

Rasmus Bach Nielsen
Chairman

Dmitry Miller

Naeem Ahmed

Jeremy Grant

Independent Auditor's Report

To the Shareholders of Recraft Energy A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2022 and of the results of the Company's operations for the financial year 1 October 2021 - 30 September 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Recraft Energy A/S for the financial year 1 October 2021 - 30 September 2022, 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the

Independent Auditor's Report

audit. We also:

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

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

Aarhus, 16 January 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Claus Dalager
State Authorised Public Accountant
mne26745

Kristian Kjær Jensen
State Authorised Public Accountant
mne35627

Company Information

The Company

Recraft Energy A/S
c/o TMF Denmark A/S H.C. Andersens Boulevard 38, 3. th
DK-1553 København V

CVR No: 42 19 65 76

Financial period: 1 October - 30 September

Municipality of reg. office: Copenhagen

Board of Directors

Rasmus Bach Nielsen, Chairman
Dmitry Miller
Naeem Ahmed
Jeremy Grant

Executive Board

Morten Rudebeck Henriksen
Mads Holm

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Nobelparken
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Income Statement 1 October - 30 September

| | Note | 2021/22 TDKK | 5.3.2021- 30.9.2021 TDKK |
|---|------|-----------------|--------------------------------|
| Gross profit/loss | | -2,431 | -808 |
| Staff expenses | 2 | -5,699 | -1,816 |
| Profit/loss before financial income and expenses | | -8,130 | -2,624 |
| Financial income | | 88 | 0 |
| Financial expenses | 3 | -1,529 | -56 |
| Profit/loss before tax | | -9,571 | -2,680 |
| Tax on profit/loss for the year | 4 | 2,105 | 589 |
| Net profit/loss for the year | | -7,466 | -2,091 |

Distribution of profit

Proposed distribution of profit

| | | |
|-------------------|---------------|---------------|
| Retained earnings | -7,466 | -2,091 |
| | -7,466 | -2,091 |

Balance Sheet 30 September

Assets

| | Note | 2022 TDKK | 2021 TDKK |
|---|------|----------------|---------------|
| Property, plant and equipment in progress | | 86,534 | 29,400 |
| Property, plant and equipment | 5 | 86,534 | 29,400 |
| Deposits | | 50 | 0 |
| Fixed asset investments | | 50 | 0 |
| Fixed assets | | 86,584 | 29,400 |
| Receivables from group enterprises | | 129 | 0 |
| Other receivables | | 1,105 | 4,953 |
| Deferred tax asset | | 2,694 | 589 |
| Prepayments | | 507 | 0 |
| Receivables | | 4,435 | 5,542 |
| Cash at bank and in hand | | 17,834 | 6,150 |
| Currents assets | | 22,269 | 11,692 |
| Assets | | 108,853 | 41,092 |

Balance Sheet 30 September

Liabilities and equity

| | Note | 2022 TDKK | 2021 TDKK |
|--|------|----------------|---------------|
| Share capital | | 768 | 768 |
| Retained earnings | | 26,855 | 34,321 |
| Equity | | 27,623 | 35,089 |
| Credit institutions | | 72,506 | 0 |
| Long-term debt | 6 | 72,506 | 0 |
| Trade payables | | 5,453 | 4,534 |
| Payables to group enterprises | | 902 | 902 |
| Other payables | | 2,369 | 567 |
| Short-term debt | | 8,724 | 6,003 |
| Debt | | 81,230 | 6,003 |
| Liabilities and equity | | 108,853 | 41,092 |
| Key activities | 1 | | |
| Contingent assets, liabilities and other financial obligations | 7 | | |
| Related parties | 8 | | |
| Accounting Policies | 9 | | |

Statement of Changes in Equity

| | <u>Share capital</u> TDKK | <u>Retained earnings</u> TDKK | <u>Total</u> TDKK |
|-------------------------------|------------------------------|--------------------------------------|----------------------|
| Equity at 1 October | 768 | 34,321 | 35,089 |
| Net profit/loss for the year | 0 | -7,466 | -7,466 |
| Equity at 30 September | 768 | 26,855 | 27,623 |

Notes to the Financial Statements

1 Key activities

The company is engaged in the production of sustainable oil and other associated activities.

| | <u>2021/22</u> TDKK | <u>5.3.2021-</u> <u>30.9.2021</u> TDKK |
|--|------------------------|--|
| 2 Staff expenses | | |
| Wages and salaries | 5,469 | 1,753 |
| Pensions | 127 | 0 |
| Other staff expenses | 103 | 63 |
| | <u>5,699</u> | <u>1,816</u> |
| Average number of employees | <u>3</u> | <u>3</u> |
| 3 Financial expenses | | |
| Interest paid to group enterprises | 146 | 0 |
| Other financial expenses | 1,319 | 56 |
| Exchange adjustments, expenses | 64 | 0 |
| | <u>1,529</u> | <u>56</u> |
| 4 Tax on profit/loss for the year | | |
| Current tax for the year | 0 | 0 |
| Deferred tax for the year | -2,105 | -589 |
| | <u>-2,105</u> | <u>-589</u> |

Notes to the Financial Statements

5 Property, plant and equipment

| | Property, plant and equipment in progress TDKK |
|--|---|
| Cost at 1 October | 29,400 |
| Additions for the year | 57,134 |
| Cost at 30 September | <u>86,534</u> |
| Revaluations at 1 October | <u>0</u> |
| Revaluations at 30 September | <u>0</u> |
| Impairment losses and depreciation at 1 October | <u>0</u> |
| Impairment losses and depreciation at 30 September | <u>0</u> |
| Carrying amount at 30 September | <u>86,534</u> |

6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

| | 2022 TDKK | 2021 TDKK |
|----------------------------|----------------------|-----------------|
| Credit institutions | | |
| Between 1 and 5 years | 72,506 | 0 |
| Long-term part | 72,506 | 0 |
| Within 1 year | 0 | 0 |
| | <u>72,506</u> | <u>0</u> |

7 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with bankers:

Floating charge in simple / unsecured claims arising from the sale of goods and services with a value up to EUR 1.0 million.

Notes to the Financial Statements

7 Contingent assets, liabilities and other financial obligations (continued)

Contingent liabilities

The company has a contractual obligation related to rent which equals to 1,725 TDKK.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

8 Related parties

Consolidated Financial Statements

The company is part of the consolidated report for the parent company

| <u>Name</u> | <u>Place of registered office</u> |
|---------------------------|-----------------------------------|
| Trafigura Group Pte. Ltd. | Singapore |

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of Recraft Energy A/S for 2021/22 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 2021/22 are presented in TDKK.

Recognition and measurement

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.

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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

9 Accounting Policies (continued)

Income Statement

Other external expenses

Other external expenses comprise office rental, professional fees (eg. consultants) and other miscellaneous expenses.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

Staff expenses

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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.

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 raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction and the interest expense will be capitalized as part of the plant asset value.

The fixed assets' residual values are determined at nil.

Notes to the Financial Statements

9 Accounting Policies (continued)

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposit.

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 comprise prepaid expenses concerning insurance premiums, services and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets 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 within the same legal tax entity.

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. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Notes to the Financial Statements

9 Accounting Policies (continued)

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.