



WFS UK Holding Company III Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2023

Company Number 08913303

Company Information

| | |
|----------------------------|--|
| Director | Richard Donald McMichael |
| Company secretary | Reed Smith Corporate Services Limited |
| Registered number | 08913303 |
| Registered office | 1 Blossom Yard Fourth Floor London E1 6RS |
| Independent auditor | BDO LLP 55 Baker Street London W1U 7EU |

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Strategic Report for the Year Ended 31 December 2023

The director presents herewith the Strategic Report and Director's Report together with the audited financial statements of WFS UK Holding Company III Limited (the "Company") for the year ended 31 December 2023.

Principal activities

The Company, incorporated in England and Wales in the United Kingdom, is a wholly-owned subsidiary of World Kinect Corporation (Formerly known as World Fuel Services Corporation) (the "Ultimate Parent Undertaking"), incorporated in the State of Florida in the United States of America.

The Company's principal activity continues to be that of an investment holding company.

Business review and future outlook

The Company's loss after taxation for the financial year ended 31 December 2023 was \$4,109,900 (2022: profit after tax \$574,304). The Company's activities include acting as an investment holding company and any profits are limited to the receipt of dividend income, net of the Company's finance costs on its debts.

During the year ended 31 December 2023, the Company had net finance expenses of \$4,075,895 (2022: \$3,269,304).

The increase in finance expenses during the year was due to an increase in the variable interest rate that governs the loan held between the company and World Fuel Services Europe Ltd. as well as the interest expense incurred for its loan with WFS UK Finance Limited. Moreover, the Company received no dividend in income in 2023 compared to dividend income of \$3,860,040 in 2022.

The Company had net assets of \$96,929,428 at 31 December 2023 (2022: \$101,039,328), with the decrease being a result of the loss incurred during the year.

The current director is satisfied with the results for the year. There are no significant changes planned in the Company's operations in the foreseeable future.

Principal risks and uncertainties

The Company's principal risks and uncertainties are integrated with the principal risks of the World Kinect Corporation Group (further referred to as 'Group') and are not managed separately. World Kinect Corporation is the parent undertaking of the only group of undertakings to consolidate these financial statements. The principal risks and uncertainties of World Kinect Corporation, the Ultimate Parent Undertaking, are discussed from page 8 of the 2023 annual report on Form 10-K which does not form part of this report but is publicly available.

Principal risks and uncertainties include, but are not limited to, macroeconomic and geopolitical trends that impact demand for air travel and economic trade, global oil supply and demand dynamics that impact the price, volatility and supply availability of jet fuel, changes in regulations that govern airport administration and operating policies, credit default risk among the airline industry and the sufficiency of access to financial liquidity to fund the Company's operations. As noted above, a comprehensive description of the Company's principal risks and uncertainties can be found in the 2023 annual report of World Kinect Corporation.

Strategic Report for the Year Ended 31 December 2023

Key performance indicators (“KPI”)

The Company’s director monitors progress and strategy by reference to the following financial KPI:

| | 2023 \$ | 2022 \$ | Change \$ | Change % |
|----------------------|------------|------------|--------------|-------------|
| Net finance expenses | 4,075,895 | 3,269,304 | 806,591 | 24.7 % |

Refer to the business review and future outlook on above for details explaining the KPI.

S 172(1) statement

The Company’s stakeholder engagement and decision making are integrated with the principles of the Ultimate Parent Undertaking (note 12). The Company does not manage key stakeholder engagement separately. The Group regularly engages with key stakeholders to better understand their perspectives, including areas such as our business strategies, financial performance and matters of corporate governance. This dialogue has helped inform the Group’s decision-making processes and ensures interests remain well-aligned with those of the key stakeholders. The key stakeholders relevant to the Company include other Group companies and regulators. The Company’s key stakeholders are managed through the Group which maintains regular communication with the Company’s stakeholders regarding the Company’s activity.

In line with the director’s duties, under section 172(1) of the Companies Act 2006, the director must act in a way that is considered in good faith and would most likely promote the success of the Company, for the benefit of its members, as a whole. In 2023, whilst fulfilling his duty to promote the success of the Company, the director considered the interests of key stakeholders, having regard, amongst other matters to:

- a. The likely consequences of any long-term decisions, including but not limited to, the maturity of group loan facilities and settlement options;
- b. The need to foster business relationships;
- c. The impact of the Company’s operations on the community and the environment;
- d. The desirability of the Company maintaining a reputation for high standards of business conduct; and
- e. The need to act fairly as between members of the Company.

The director discharges his section 172 duties by taking these and other relevant factors into consideration when making decisions. The director ensures key decisions are aligned with the strategy, vision and values of the Group details of which can be found at: <https://ir.worldkinect.com/corporate-responsibility>.

The director’s duties and decisions made on behalf of the Company, are supported by access to the Group and corporate governance policies and practices. Informed decisions have been made through engagement with key stakeholders to better understand their perspectives.

The Group believes that good corporate governance is critical to support its efforts to achieve performance goals, while delivering long-term value to its shareholders, employees, customers, suppliers, communities and other stakeholders. Further, the Group collectively believes that successful stewardship of the environment and natural resources, as well as positive engagement with the communities in which the Group operates, will translate to long-term value for society and ultimately define the Company’s success.

Strategic Report for the Year Ended 31 December 2023

There were no principal decisions made by the director during 2023, and he is satisfied that the performance of the company is integrated with the strategic goals of the Group.

Principal risks and uncertainties that could impact the Company's long-term performance are integrated with the principal risks of the Group, which are discussed above in the Strategic Report (page 1).

This report was approved by the board signed on its behalf by:



Richard Donald McMichael
Director

Date: 29 August 2024

Director's Report for the Year Ended 31 December 2023

Director

The director who served during the financial year ended 31 December 2023 and up to the date of signing the financial statements is as follows:

Richard Donald McMichael

Director's indemnities

The Company provides an indemnity for the Director of the Company, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. In addition, the Ultimate Parent Undertaking maintains liability insurance for its directors and officers. The qualifying third party indemnity was in place during the year ended 31 December 2023 and as at the date of approval of the Annual Report.

Dividends

The Company did not pay an interim dividend for the year ended 31 December 2023 (2022: \$nil). No final dividend is proposed for the year ended 31 December 2023 (2022: \$nil).

Financial risk management

The financial risk management of the Company is handled by the Ultimate Parent Undertaking as part of the operations of the World Kinect Corporation Group. The financial risk objectives, policies and exposures are described in the financial statements of the Ultimate Parent Undertaking from page 8 of the 2023 annual report on Form 10-K which does not form part of this report, but is publically available.

The Company is exposed to the following risks arising in the normal course of business:

Currency risk

The Company's exposure to exchange rate changes results from certain legacy amounts due from related companies denominated in Sterling. The Company mitigates the exchange risk through participation in a foreign currency hedge entered into by a related company. The purpose of the hedge is to mitigate risk across a number of the World Kinect Corporation Group entities, the focus being on the foreign currency exposure of the Group as opposed to individual entities. The Company does not directly enter into hedging arrangements as this is performed by other group undertakings.

Price risk

The Company has no exposure to price risk given the activity of the Company

Interest rate risk

The Company has exposure to interest rate risk given that certain long-term debt outstanding at 31 December 2023 bears interest at variable rates. Per note 9, this is limited to an outstanding debt amount of \$48,722,530 (2022: \$12,000,000) since this is based on variable interest rates.

Credit risk

The Company has no exposure to credit risk since the Company does not trade with third parties, nor does it enter into credit agreements.

Director's Report for the Year Ended 31 December 2023

Liquidity risk

The Company relies on unsecured credit and loans from related companies as a significant source of liquidity. Management believes that the Company can obtain financing from related companies with terms acceptable to the Company as the need arises.

Post balance sheet events

On 28 August 2024, with an effective date of 7 March 2024, the Company entered into an extension agreement of its \$44,292,358 loan payable to WFS UK Holding Company II Limited. The maturity date was extended by two years from 7 March 2024 to 7 March 2026, and the interest rate was increased from 4% per annum to 6.61% per annum, with the principal and interest being due at the extended maturity date.

On 28 August 2024, with an effective date of 29 December 2023, the Company entered into an extension agreement of its \$12,000,000 loan payable to World Fuel Services Europe, Ltd.. The maturity date was extended from 29 December 2023 to 29 December 2026, and the interest rate was updated from a rate of three-month Libor +3.5% per annum to 6.61% per annum, due at the termination date of the extension agreement, with interest payable annually.

Future developments

Refer to the Strategic Report on page 1 for a description of future developments in the business.

Going concern

The Company's loss after tax for the financial year was \$4,109,900 (2022: profit of \$574,304) and as at 31 December 2023 the Company had net assets of \$96,929,428 (2022: net assets of \$101,039,328).

World Kinect Corporation, the Ultimate Parent Undertaking of WFS UK Holding Company III Limited, has agreed to provide adequate financial support for a period of at least twelve months following the date of the Independent Auditor's Report for the Company's year ended 31 December 2023, to the extent necessary to enable the Company to meet its continuing operating liabilities, as well as any known liabilities on the Company's Balance Sheet as at 31 December 2023, as and when they fall due.

As a result of the support from the Ultimate Parent Undertaking, the director has reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Company has adopted the going concern basis in preparing the financial statements.

Disclosure of information to auditor

Each of the persons who is a director at the time when this Director's Report is approved has confirmed that:

- a. so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- b. the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, BDO LLP will be re-appointed during the year in accordance with section 485 of the Companies Act 2006.

Director's Report for the Year Ended 31 December 2023

Special provisions relating to small companies

This report has been prepared in accordance with the special provisions relating to small companies subject to the small companies' regime within part 15 of the Companies Act 2006 'The Small companies and Groups (Accounts and Directors Report) Regulations 2008'.

This report was approved by the board and signed on its behalf by:



Richard Donald McMichael
Director

Date: 29 August 2024

Statement of Director's Responsibilities For the Year Ended 31 December 2023

Director's responsibilities statement

The director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WFS UK HOLDING COMPANY III LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of WFS Holding Company III Limited ("the Company") for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director with respect to going concern are described in the relevant sections of this report.

Other information

The Director is responsible for the other information. The other information comprises the information included in the Strategic report and the Director's report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WFS UK HOLDING COMPANY III LIMITED

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Director's report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Director's report.

Responsibilities of Directors

As explained more fully in the Statement of Director's Responsibilities, the Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Director 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, the Director 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 unless the Director either intends to liquidate the Company or to cease operations, or have 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 (UK) 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WFS UK HOLDING COMPANY III LIMITED

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance, including legal counsel and,
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations

We considered the significant laws and regulations to be Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice), UK tax legislation and the Companies Act 2006.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be Management Override of Journal Entries and Related Party Transactions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WFS UK HOLDING COMPANY III LIMITED

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias as disclosed within Note 3, and verifying assumptions made to supporting documentation;
- Review of related party relationships for identification and to ensure sufficient disclosure of these transactions and relationships is included within these financial statements;
- Verification and confirmation of transactions during the year, and balances outstanding as at the period end date with those identified related parties; and
- We used an engagement team with appropriate competence and experience.

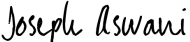
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Joseph Aswani (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London,
Date: 30 August 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Comprehensive Income for the year ended 31 December 2023

| | Note | 2023 \$ | 2022 \$ |
|---|------|--------------------|-----------------|
| Administrative expenses | | (34,005) | (16,432) |
| Operating loss | 4 | (34,005) | (16,432) |
| Dividend income from fixed asset investments | 8 | — | 3,860,040 |
| Finance expenses | 6 | (4,075,895) | (3,269,304) |
| (Loss)/Profit before taxation for the financial year | | (4,109,900) | 574,304 |
| Income tax | 7 | — | — |
| (Loss)/Profit after taxation for the financial year and total comprehensive (loss)/profit for the year | | (4,109,900) | 574,304 |

All amounts relate to continuing operations.

There was no other comprehensive income or loss during the year ended 31 December 2023, or the year ended 31 December 2022

The notes on pages 15 to 24 form part of these financial statements

Balance Sheet as at 31 December 2023

Registered number: 08913303

| | Note | 2023 \$ USD | 2022 \$ USD |
|----------------------------------|------|--------------------|--------------------|
| Non-current assets | | | |
| Investments | 8 | 222,916,825 | 222,866,825 |
| | | 222,916,825 | 222,866,825 |
| Current assets | | | |
| Cash and cash equivalents | | 1,598 | 1,598 |
| Total assets | | 222,918,423 | 222,868,423 |
| Non-current liabilities | | | |
| Borrowings from group companies | 9 | 48,722,530 | 24,147,856 |
| | | 48,722,530 | 24,147,856 |
| Current liabilities | | | |
| Borrowings from group companies | 9 | 71,377,135 | 68,526,082 |
| Trade and other payables | 10 | 5,889,330 | 29,155,157 |
| | | 77,266,465 | 97,681,239 |
| Total liabilities | | 125,988,995 | 121,829,095 |
| Net assets | | 96,929,428 | 101,039,328 |
| Equity | | | |
| Share capital | 11 | 600 | 600 |
| Share premium | | 155,281,288 | 155,281,288 |
| Retained earnings | | (58,352,460) | (54,242,560) |
| Total shareholder's funds | | 96,929,428 | 101,039,328 |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



Richard Donald McMichael
Director

Date: 29 August 2024

The notes on pages 15 to 24 form part of these financial statements

Statement of Changes in Equity for the year ended 31 December 2023

| | Share capital | Share Premium | Retained earnings | Total shareholder's (funds) |
|---|---------------|--------------------|---------------------|-----------------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 1 January 2022 | 468 | 69,999,865 | (54,816,864) | 15,183,469 |
| Issuance of shares (see note 11) | 132 | 85,281,423 | — | 85,281,555 |
| Profit for the financial year and total comprehensive profit for the year | — | — | 574,304 | 574,304 |
| Balance at 31 December 2022 | 600 | 155,281,288 | (54,242,560) | 101,039,328 |
| Loss for the financial year and total comprehensive loss for the year | — | — | (4,109,900) | (4,109,900) |
| Balance at 31 December 2023 | 600 | 155,281,288 | (58,352,460) | 96,929,428 |

The notes on pages 15 to 24 for part of these financial statements.

Notes to the financial statements for the year ended 31 December 2023

Note 1 – General Information

WFS UK Holding Company III Limited (the "Company") is a private company limited by share capital, incorporated and domiciled in England and Wales in the United Kingdom ("UK"). The Company is a wholly owned subsidiary of World Kinect Corporation (the "Ultimate Parent Undertaking"), a company incorporated in the State of Florida in the United States of America. The Company's registered office is shown on the contents page.

The Company's principal activities include being an investment holding company.

Note 2 – Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied in all periods presented:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

FRS 101 allows a qualifying entity certain disclosure exemptions, if certain conditions have been complied with. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The Company is a qualifying entity as its results are consolidated into the financial statements of World Kinect Corporation, which are publicly available (note 12). The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of International Accounting Standards ("IAS") 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures (key management compensation); and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

2.3 Going concern

The Company's loss after tax for the financial year was \$4,109,900 (2022: profit of 574,304) and as at 31 December 2023 the Company had net assets of \$96,929,428 (2022: net assets of \$101,039,328).

Notes to the financial statements for the year ended 31 December 2023

World Kinect Corporation, the Ultimate Parent Undertaking of WFS UK Holding Company III Limited, has agreed to provide adequate financial support for a period of at least twelve months following the date of the Independent Auditor's Report for the Company's year ended 31 December 2023, to the extent necessary to enable the Company to meet its continuing operating liabilities, as well as any known liabilities on the Company's Balance Sheet as at 31 December 2023, as and when they fall due.

As a result of the support from the Ultimate Parent Undertaking, the director has reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Company has adopted the going concern basis in preparing the financial statements.

2.4 Consolidated financial statements

The financial statements contain information about WFS UK Holding Company III Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken the exemption under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included in the consolidated statements of its Ultimate Parent Undertaking, World Kinect Corporation, a company incorporated in the State of Florida in the United States of America, and whose financial statements are publicly available from the Investor Relation section of the World Kinect Corporation website.

2.5 Investments in subsidiaries

Investments in subsidiaries are recorded at cost less accumulated impairment losses.

2.6 Impairment of non-financial assets

For non-financial assets such as investments in subsidiaries, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the average exchange rate during the period that the transaction occurs.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income within finance expenses.

Notes to the financial statements for the year ended 31 December 2023

2.8 Current and deferred income tax

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax is not discounted.

2.9 Finance income

Finance income on borrowings is recognised during the period in which the Company has legal claim over the finance income, with this being recognised in the period to which it relates. Net realised and unrealised foreign exchange gains on foreign currency transactions are also presented within finance income.

2.10 Finance expenses

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred. Net realised and unrealised foreign exchange losses on foreign currency transactions are also presented within finance costs.

2.11 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term-highly liquid investments with original maturities of three months or less and bank overdrafts which are subject to insignificant risk of change in value.

2.12 Trade and other payables

Trade and other payables represent obligations to pay for goods and services provided to the Company in the ordinary course of business. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements for the year ended 31 December 2023

2.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

2.14 Financial assets

Classification

The Company classifies its financial assets as loans and receivables. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets from related and non-related parties with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the Balance Sheet date which are classified as non-current assets. The Company's typical loans and receivables comprise "trade and other receivables" in the Balance Sheet, however as at the date of these financial statements, the Company does not have any loans and receivables in either period presented.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date; the date on which the Company commits to purchase or sell the asset. Financial assets carried at Fair Value through Profit and Loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Impairment of financial assets carried at amortised cost

The Company assesses at each Balance Sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are shown in equity as a deduction from the proceeds.

Notes to the financial statements for the year ended 31 December 2023

2.16 Dividends

Dividend distributions to the Company's shareholder are recognised in the period in which the dividends are approved by the Company's shareholder.

Note 3 – Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgment in applying accounting policies

The judgement in applying accounting policies at the Balance Sheet date, which has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below.

Intercompany transactions

The Company determines whether transactions with other subsidiary undertakings of the Group have been conducted on an arms' length basis. These decisions involve the input of internal and external tax advisors to the Company, including analysis of comparable companies and groups who operate in similar markets to World Kinect Corporation.

Intercompany payables

The Company has intercompany payables, which it expects will be settled without a reduction to the principal amount owed to the fellow Group undertaking. In assessing the Company's ability to repay these amounts to the fellow Group undertakings when called for, Management considers factors including current market and industry conditions, as well as historical experience of the Group's financing arrangements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the Balance Sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of investments in subsidiaries

The Company considers indicators of impairments annually. If indicators are present, Management makes an estimate of the recoverable value of investments in subsidiaries. When assessing impairment of investments in subsidiaries, Management considers factors including current market and industry conditions and historical experience.

Borrowings from group companies

The Company considers a number of estimates when entering into these loan agreements to ensure that they are conducted on arms' length basis with interest being charged in line with relevant Market conditions. When assessing whether borrowings with other group companies have been conducted on an arms' length basis, the director notes that these decisions involve the input of internal and external tax advisers to the Company, including an analysis of comparable basic financial instruments between companies and groups who operate in similar markets to worldwide Group.

Notes to the financial statements for the year ended 31 December 2023

Note 4 – Operating loss

Operating loss is stated after charging:

| | 2023 | 2022 |
|--|--------|--------|
| | \$ | \$ |
| Fees payable to the Company's auditor for the audit of the Company's annual financial statements | 32,987 | 15,418 |

Fees payable to the Company's auditor were settled by a group company.

Note 5 – Employee costs and director's remuneration

The Company had no employees during the years ended 31 December 2023 and 31 December 2022.

The Company's director received no remuneration during the years ended 31 December 2023 and 31 December 2022 in connection with their services to the Company.

Note 6 – Finance expenses

| | 2023 | 2022 |
|--------------------------------|------------------|------------------|
| | \$ | \$ |
| Interest on intercompany loans | 4,029,361 | 3,186,484 |
| Foreign exchange loss | 46,534 | 82,820 |
| Total finance expense | 4,075,895 | 3,269,304 |

Note 7 – Taxation

| Taxation | 2023 | 2022 |
|--|----------|----------|
| | \$ | \$ |
| Current tax | | |
| UK corporation tax on losses for the year | — | — |
| Total current tax | — | — |
| Deferred tax | | |
| Originating and reversal of timing differences | — | — |
| Total deferred tax | — | — |
| Total tax on loss for the year | — | — |

The standard rate of tax applied to the reported loss on activities is 23.5% (2022: 19%). The differences between the total tax charge shown above and the amount calculated by applying the blended rate of UK Corporation tax to the profit before tax is as follows:

Notes to the financial statements for the year ended 31 December 2023

| | 2023 | 2022 |
|---|-------------|-----------|
| | \$ | \$ |
| (Loss)/Profit on ordinary activities before tax | (4,109,900) | 574,304 |
| (Loss)/Profit on ordinary activities multiplied by blended rate of corporation tax in the UK of 23.5% (2022 – Standard rate of 19%) | (965,827) | 109,118 |
| Effects of: | | |
| Permanent differences | 1,232,470 | (595,307) |
| Group losses surrendered for nil consideration | (266,643) | 486,189 |
| Total tax charge for the year | — | — |

Factors that may affect future tax charges

The main rate of corporation tax is 25% for the year 1 April 2023 (previously 19% in the year beginning 1 April 2022). For the year ended 31 December 2023, a blended rate of 23.5% has been used since the main rate changed part way during the financial year.

Note 8 – Investments

| | Shares in subsidiary undertakings \$ |
|--|---|
| Cost | |
| At 1 January 2023 | 222,866,825 |
| Investment in World Kinect Colombia C.I. S.A.S | 50,000 |
| As at 31 December 2023 | 222,916,825 |

The director believes that the carrying values of the investments are supported by the underlying net asset and the trade of the subsidiaries.

On 16 March 2023, the Company incorporated a new subsidiary, World Kinect Colombia C.I.S.A.S., in which the Company owns 100% of the share capital. The Company contributed an aggregate amount of \$50,000 as part of the incorporation, which represents the cost of the Company's investment in the subsidiary. The principal activity of World Kinect Colombia C.I.S.A.S. is to export aviation fuel products out of Colombia.

In the prior year, dividend income of \$3,860,040 (GBP £3,400,000) was received from the Company's investment in WFL (UK) Limited

Notes to the financial statements for the year ended 31 December 2023

The following entities are wholly owned subsidiary undertakings of the Company as at 31 December 2023:

| Subsidiary or Associate | Registered address | Principal business activities | Percentage of Ownership |
|-----------------------------------|--|--------------------------------------|--------------------------------|
| WFL (UK) Limited | 1 Blossom Yard Fourth Floor, London, E1 6RS | Distribution of fuel and lubricants | 100% |
| World Kinect Colombia C.I. S.A.S. | Mosquera Abogados Carrera 7 # 71-21 Torre A, Piso 6. Bogotá (57 1) 3173040 Colombia | Export aviation fuel products | 100% |

All shares disclosed in the above table relate to ordinary shares.

Note 9 – Borrowings from group companies

| | Current | Non-current |
|------------------------------------|-------------------|--------------------|
| | \$ | \$ |
| Balance at 1 January 2023 | 68,526,082 | 24,147,856 |
| Additions in the year | — | 23,456,366 |
| Repayments in the year | (60,000) | — |
| Interest expense | 2,911,053 | 1,118,308 |
| Balance at 31 December 2023 | 71,377,135 | 48,722,530 |

Amounts due within one year (current)

On 7 March 2014, the Company issued loan notes totalling \$44,292,358 to a related Company, WFS UK Holding Company II Limited, with an initial maturity term of three years. On 7 March 2017, the maturity date was extended to 7 March 2022. On 10 March 2023, the maturity date was further extended to 7 March 2024, with an effective date of 7 March 2022. Subsequent to the year end, effective 7 March 2024, the maturity date was further extended another two years to 7 March 2026, and the interest rate was increased from 4% per annum to 6.61% per annum, with the principal and interest being due at the extended maturity date. Total interest expense incurred during the year was \$1,796,301 (2022: \$1,796,301). Total outstanding interest payable on the loan as at 31 December 2023 is \$10,821,848 (2022: \$9,025,547). Total outstanding payable as at 31 December 2023 is \$55,114,206 (2022: \$53,317,905).

On 29 December 2015 the Company issued a loan note totalling \$12,000,000 to a related Company, World Fuel Services Europe, Ltd. which was initially repayable on 29 December 2020. On this date, the maturity date was extended to 29 December 2023. Subsequent to the year end, effective 29 December 2023, the maturity date was further extended another three years to 29 December 2026, and the interest rate was amended from a rate of three-month Libor +3.5% per annum to 6.61% per annum, with the principal and interest being due at the extended maturity date. Total interest expense incurred during the year was \$1,114,752 (2022: \$453,466). Total outstanding interest payable on the loan as at 31 December 2023 is \$4,322,929 (2022: \$3,208,177). Total outstanding payable as at 31 December 2023 is \$16,322,929 (2022: \$15,208,177).

Notes to the financial statements for the year ended 31 December 2023

Amounts due in greater than one year (non-current)

On 15 December 2022, as the effective date, the Company entered into an intercompany line of credit with a related company, WFS UK Finance Limited ("UK FINCO"), with an initial term ending on 30 June 2025 that will automatically renew for two periods of one year each. The agreement serves as a line of credit allowing the Company to lend funds through deposits or borrow funds, up to an aggregate principal amount of \$50,000k. The line of credit allows the Company to borrow, repay and redraw, as necessary, during the term of the agreement and, if any, any payment must be first applied to any amount of interest accrued.

No interest has been applied on outstanding balances under this agreement between 1 January 2023 and 30 June 2023 due to this being part of the transitional period as agreed between both parties. Beginning 1 July 2023, the Company has paid or received interest from UK FINCO based on the outstanding net position at the end of each month. Net deposits bear interest at a rate equal to the interest received for outstanding time deposits by UK Monetary Financial Institutions as published by The Bank of England, and outstanding net borrowings bear interest at this rate plus 0.25%.

The Company has net borrowings with UK FINCO of \$48,722,530 at 31 December 2023 (2022: \$24,147,856), and recognised \$1,118,308 in interest expense 2022: \$Nil) on its net borrowings position during the year ended 31 December 2023.

Note 10 – Trade and other payables

| | 2023 | 2022 |
|------------------------------------|------------------|-------------------|
| | \$ | \$ |
| Amounts owed to group undertakings | 5,852,509 | 29,137,075 |
| Other creditors | 36,821 | 18,082 |
| Total | 5,889,330 | 29,155,157 |

The amounts due to group undertakings are unsecured, non-interest bearing, and are repayable on demand.

Note 11 – Share capital and reserves

| | 2023 | 2022 |
|---|------|------|
| | \$ | \$ |
| Authorised, allotted, called up and fully paid | | |
| 300 (2022: 300) ordinary shares of £1 each | 600 | 600 |

The Company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.
- The share premium account represents the amount subscribed for share capital in excess of the nominal value.
- Retained earnings represent cumulative profits or losses, net of dividends paid and other adjustments.

On 26 February 2014 (incorporation) the Company issued 200 shares with a nominal value of £1.00 translated into USD at the prevailing exchange rate of \$1.67/£1. The Company recorded share premium on issuance of \$40,000,000.

On 29 December 2020 the Company issued 100 shares with a nominal value of £1.00 translated into USD at the prevailing exchange rate of \$1.35/£1, at a premium of \$29,999,865, for cash consideration of \$30,000,000 paid up by World Kinect Corporation.

Notes to the financial statements for the year ended 31 December 2023

On 28 March 2022, the Company issued 100 common shares with a nominal value of £1.00 each, translated into USD at the prevailing exchange rate of \$1.32/£1, at a premium of \$85,281,423, for cash consideration of \$85,281,555 paid up by World Kinect Corporation.

Note 12 – Controlling party

The immediate parent undertaking and ultimate parent undertaking and controlling party is World Kinect Corporation, a company incorporated in the United States of America. World Kinect Corporation is the parent undertaking of the only group of undertakings to consolidate these financial statements. The consolidated financial statements of World Kinect Corporation may be obtained from World Kinect Corporation, 9800 NW 41st Street, Suite 400, Miami, Florida USA 33178, or are readily available from the Investor Relation section of the World Kinect Corporation website.

Note 13 – Post Balance Sheet Events

On 28 August 2024, with an effective date of 7 March 2024, the Company entered into an extension agreement of its \$44,292,358 loan payable to WFS UK Holding Company II Limited. The maturity date was extended by two years from 7 March 2024 to 7 March 2026, and the interest rate was increased from 4% per annum to 6.61% per annum, with the principal and interest being due at the extended maturity date.

On 28 August 2024, with an effective date of 29 December 2023, the Company entered into an extension agreement of its \$12,000,000 loan payable to World Fuel Services Europe, Ltd.. The maturity date was extended from 29 December 2023 to 29 December 2026, and the interest rate was updated from a rate of three-month Libor +3.5% per annum to 6.61% per annum, due at the termination date of the extension agreement, with interest payable annually.