



WFS UK Holding Company II Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2022

Company Number 07465171

Company Information

| | |
|----------------------------|--|
| Directors | Richard Donald McMichael Claire Bishop |
| Company secretary | Reed Smith Corporate Services Limited |
| Registered number | 07465171 |
| Registered office | The Broadgate Tower, Third Floor 20 Primrose Street London EC2A 2RS |
| Independent auditor | BDO LLP 55 Baker Street London W1U 7EU |

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Strategic Report for the Year ended 31 December 2022

The directors present their Strategic Report and Directors' Report together with the audited financial statements of WFS UK Holding Company II Limited (the "Company") for the year ended 31 December 2022.

Principal activities

The Company, limited by share capital, incorporated and domiciled in England and Wales in the United Kingdom, is a wholly owned subsidiary of World Fuel Services (Singapore) Pte Ltd, incorporated in Singapore. The ultimate holding company is 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. On 15 June 2023, the Ultimate Parent Undertaking's shareholders approved an amendment to its Articles of Incorporation, as amended, changing the Ultimate Parent Undertaking's name from World Fuel Services Corporation to World Kinect Corporation.

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

Business review and future outlook

The Company's loss after tax for the financial year ended 31 December 2022 was \$(2,675,652) (2021: \$(3,751,566)), and the Company's net assets decreased to \$1,418,259,504 at 31 December 2022 (2021: \$1,420,935,156). The Company's result for the period is dependent upon i) dividends from subsidiaries, ii) net finance income/cost on loans with related companies, iii) any gains or losses due to investment decisions, and iv) administrative expenses in maintaining the Company. The Company's equity is also dependent upon contributions from parent undertakings, net of distributions during the year.

The Company received no dividends during the year ended 31 December 2022 (2021: \$nil). The Company recognised an excess of interest on loans payable over interest received on loans receivable in the year ended 31 December 2022 of \$2,595,069 (2021: \$3,706,221).

The directors considered if there were any indicators of impairment in relation to the carrying value of the Company's investments as at 31 December 2022. Following this review, no impairment was recognised for the year ended 31 December 2022 (2021: \$nil).

The current Directors are satisfied with the results for the financial 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 2022 World Kinect Corporation Annual Report on Form 10-K which does not form part of this report but is publicly available.

Strategic Report for the Year ended 31 December 2022

Key performance indicators (“KPIs”)

The Company’s Directors’ monitor progress and strategy by reference to the following financial KPIs:

| | 2022 \$ | 2021 \$ | Change \$ | Change % |
|------------------|--------------|--------------|--------------|-------------|
| Interest income | 19,785,511 | 18,674,972 | 1,110,539 | 5.9 % |
| Interest expense | (22,380,580) | (22,381,193) | 613 | — % |

Refer to the business review and future outlook as stated previously in this report for details explaining the operating results for the year.

Section 172(1) statement

The Company’s stakeholder engagement and decision making are integrated with the principles and activity of the Ultimate Parent Undertaking (note 14). The Company does not manage key stakeholder engagement separately. The Group regularly engages with key stakeholders to better understand their perspectives, including in areas such as our business strategies, financial performance, and matters of corporate governance. This dialogue has helped inform the Group’s decision-making and ensure interests remain well-aligned with those of its 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 Directors’ duties, under Section 172(1) of the Companies Act 2006, the Directors 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 2022, whilst fulfilling their duties to promote the success of the Company, the Directors considered the interests of key stakeholders, having regard, amongst other matters to:

- a) The likely consequences of any decisions in the long term;
- 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 to maintain a reputation for high standards of business conduct; and
- e) The need to act fairly between members of the Company.

The Directors discharge their Section 172 duty by taking these and other relevant factors into consideration when making decisions. The Directors ensure key decisions are aligned with the strategy, vision and values of the Group (defined below), details of which can be found at: <https://ir.wfscorp.com/corporate-responsibility>.

The Directors’ duties and decisions made on behalf of the Company are supported by access to the Group and corporate governance policies and practices. The Group believes that good corporate governance is critical to support its efforts to achieve performance goals, whilst delivering long-term value to 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. Informed decisions have been made through engagement with key stakeholders to better understand their perspectives.

Strategic Report for the Year ended 31 December 2022

The Group believes that good corporate governance is critical to support its efforts to achieve performance goals, while delivering long-term value to 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.

In 2022, the directors continued to implement the Company's key objectives. In the year ended 31 December 2022, no decisions regarding Company activity were significant enough to require Company board approval. The strategy of the Company's investments in the subsidiaries was managed by the Group, with the purpose to safeguard the investments' value and build sustainable long-term growth. In the pursuit of the Company's purpose, the interests of all stakeholders were considered by 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 previously in the Strategic Report (page [1](#)).

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



Richard Donald McMichael
Director

Date: 28 September 2023

Directors' Report for the year ended 31 December 2022

Directors

The Directors who served during the year ended 31 December 2022 and up to the date of signing the financial statements is as follows:

Richard Donald McMichael
Claire Bishop

Directors' indemnities

The Company provides an indemnity for the Directors' 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 2022 and as at the date of approval of the Annual Report.

Dividends

The Company paid no interim dividend for the year ended 31 December 2022 (2021: \$nil). No final dividend is proposed for the year ended 31 December 2022 (2021: \$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 World Kinect Corporation 2022 Annual Report on Form 10-K which does not form part of this report.

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 this risk through participation in foreign currency hedges 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 enter into these derivative contracts directly, as the wider World Kinect Corporation manages this through specified group undertakings.

Price risk

The Company has no exposure to price risk.

Interest rate risk

The interest rate risk that the Company has minimal exposure to interest rate risk given the long-term debt outstanding at 31 December 2022 bears interest of fixed rates.

Directors' Report for the year ended 31 December 2022

Credit risk

Credit risk arises from cash and cash equivalents, and trade and other receivables. As at 31 December 2022, the Company has \$2,556 cash at bank or in hand held at financial institutions (2021: \$2,556) and has \$359,287,377 trade and other receivables (2021: \$328,921,979), all of which are due from related companies. The maximum exposure to credit risk at the reporting date is the carrying value of cash and each class of receivables as presented on the Balance Sheet, but given the source of the cash and receivables, the Company considers credit risk to be minimal. The Company does not hold any collateral as security.

Cash flow risk

The Company is not exposed to cash flow risk given that it is a holding company as part of the wider World Kinect Corporation Group structure and funds are made available to the Company, as required. Furthermore, the directors have obtained confirmation from World Kinect Corporation that it will provide adequate support to enable the Company to meet its current obligations for a period of at least one year from the date of approval of these financial statements.

Liquidity risk

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

Subsequent events

On 15 June 2023 the Company has approved the share capital reduction, comprising the reduction of the Company's share premium account by \$500,000,000 to \$540,188,547 and transferring the full amount of \$500,000,000 to the Company's retained earnings.

On 20 September 2023, Tramp Group Limited, a wholly-owned subsidiary of World Kinect Corporation, completed the sale of Tramp Oil Germany GmbH, a wholly-owned subsidiary of Tramp Group Limited, to the Company. This transaction involved the sale of all shares and assigns the participation rights and all profits to the Company for a purchase price of \$37,400,000 to which was paid on 21 September 2023. The transaction was structured as an arms-length transaction and was approved by the respective boards of directors of Tramp Group Limited and the Company.

Future developments

Refer to the Strategic Report (page 1) included previously in these financial statements for a description of future developments in the business.

Going concern

The Company's loss after tax for the financial year was \$2,675,652 (2021: \$3,751,566) and as at 31 December 2022 the Company had net assets of \$1,418,259,504 (2021: \$1,420,935,156).

Directors' Report for the year ended 31 December 2022

World Kinect Corporation, the Ultimate Parent Undertaking of WFS UK Holding Company II Ltd., has agreed to provide adequate financial support for a period of at least twelve months following the date of the Independent Auditors' Report for the Company's financial statements for the year ended 31 December 2022, 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 2022, as and when they fall due, and further confirms that no credit loss will be incurred by the Company in respect of the amounts owed to it by fellow group undertakings for the periods presented within these financial statements.

As a result of the support from the Ultimate Parent Undertaking, the Directors have a reasonable expectation 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 are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors 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.

Special provisions relating to small companies

This Directors' 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: 28 September 2023

Directors' Responsibilities statement for the year ended 31 December 2022

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have 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 Directors 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 year.

In preparing these financial statements, the Directors are 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 Directors are 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. They are 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 II LIMITED

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 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 UK Holding Company II Limited ("the Company") for the year ended 31 December 2022 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 Directors' 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 Directors' with respect to going concern are described in the relevant sections of this report.

Other information

The Directors' are responsible for the other information. The other information comprises the information included in the Annual Report, 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 II 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' 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 or the Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were 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 Directors' report.

Responsibilities of Directors'

As explained more fully in the Statement of Directors' Responsibilities, the Directors' are 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 Directors' determine 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 Directors' are 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 Directors' either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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.

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:

- We obtained an understanding of the legal and regulatory frameworks applicable to the entity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (Financial Reporting Standard 101, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006);
- We determined how the entity is complying with those legal and regulatory frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance procedures, corroborating our enquiries through our review of board minutes;
- We used an engagement team with appropriate competence and capabilities to identify non-compliance with laws and regulations; and
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management from various parts of the business to understand where it is considered there was a susceptibility to fraud. We also considered the process controls that the entity has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how senior management monitors those process controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free of fraud or error.


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.

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

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, UK

Date: 28 September 2023

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 2022

| | Note | 2022 \$ | 2021 \$ |
|---|------|--------------------|--------------------|
| Administrative expenses | | (58,283) | (45,347) |
| Operating (loss) | 4 | (58,283) | (45,347) |
| Finance income | 6 | 19,786,605 | 18,674,974 |
| Finance costs | 7 | (22,380,580) | (22,381,193) |
| Loss before taxation | | (2,652,258) | (3,751,566) |
| Income tax expense | 8 | (23,394) | — |
| Loss after taxation for the financial year and total comprehensive loss for the year | | (2,675,652) | (3,751,566) |

All amounts relate to continuing operations.

There was no other comprehensive income or loss during the year ended 31 December 2022, or the year ended 31 December 2021.

The notes on pages [15](#) to [29](#) form part of these financial statements.

Balance Sheet as at 31 December 2022

Registered number: 07465171

| | Note | 2022 \$ | 2021 \$ |
|--------------------------------------|------|----------------------|----------------------|
| Non-current assets | | | |
| Investments | 9 | 1,648,895,796 | 1,646,897,796 |
| Trade and other receivables | 10 | 64,547,285 | 276,765,327 |
| Total non-current assets | | 1,713,443,081 | 1,923,663,123 |
| Current assets | | | |
| Trade and other receivables | 10 | 294,740,092 | 52,156,652 |
| Cash at bank and in hand | | 2,556 | 2,556 |
| Total current assets | | 294,742,648 | 52,159,208 |
| Total assets | | 2,008,185,729 | 1,975,822,331 |
| Non-current liabilities | | | |
| Borrowings | 12 | 163,566,771 | 367,916,781 |
| Total non-current liabilities | | 163,566,771 | 367,916,781 |
| Current liabilities | | | |
| Trade and other payables | 11 | 36,061,069 | 164,588,790 |
| Borrowings | 12 | 390,298,385 | 22,381,604 |
| Total current liabilities | | 426,359,454 | 186,970,394 |
| Total liabilities | | 589,926,225 | 554,887,175 |
| Net assets | | 1,418,259,504 | 1,420,935,156 |
| Equity | | | |
| Share capital | 13 | 323 | 323 |
| Share premium | | 1,040,188,547 | 1,040,188,547 |
| Retained earnings | | 378,070,634 | 380,746,286 |
| Total shareholder's funds | | 1,418,259,504 | 1,420,935,156 |

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: 28 September 2023

The notes on pages [15](#) to [29](#) form part of these financial statements.

Statement of Changes in Equity for the Year Ended 31 December 2022

| | Share capital \$ | Share premium \$ | Retained earnings \$ | Total shareholder's funds \$ |
|---|---------------------|------------------------|----------------------------|---------------------------------------|
| Balance at 1 January 2021 | 323 | 1,040,188,547 | 384,497,852 | 1,424,686,722 |
| Loss after taxation for the financial year and total comprehensive loss for the year | — | — | (3,751,566) | (3,751,566) |
| Balance at 31 December 2021 | 323 | 1,040,188,547 | 380,746,286 | 1,420,935,156 |
| Loss after taxation for the financial year and total comprehensive profit for the year | — | — | (2,675,652) | (2,675,652) |
| Balance at 31 December 2022 | 323 | 1,040,188,547 | 378,070,634 | 1,418,259,504 |

The notes on pages [15](#) to [29](#) form part of these financial statements.

Notes to the financial statements for the year ended 31 December 2022

1. General Information

WFS UK Holding Company II Limited ("the Company") is a private company, limited by share capital, and incorporated and domiciled in England and Wales in the United Kingdom. The Company is a wholly-owned subsidiary of World Fuel Services (Singapore) Pte Ltd, incorporated in Singapore ("immediate parent undertaking"). The ultimate holding company is 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. On 15 June 2023, the Ultimate Parent Undertaking's shareholders approved an amendment to its Articles of Incorporation, as amended, changing the Ultimate Parent Undertaking's name from World Fuel Services Corporation to World Kinect Corporation.

The Company's principal activity is that of an investment holding company.

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 (United Kingdom Generally Accepted Accounting Practice) ("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, 2.2 through 2.18, have been applied:

2.2 Financial reporting standard 101 - reduced disclosure framework

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 14).

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraph 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 17 and 18A of IAS 24 'Related Party Disclosures' (key management compensation);

Notes to the financial statements for the year ended 31 December 2022

- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group; and
- the requirements of paragraph 30 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

2.3 Consolidated financial statements

The financial statements contain information about WFS UK Holding Company II Limited as an individual company and do not contain consolidated financial information as the parent of the group. The Company has taken the exemption under Section 401 of the Companies Act 2006 from the requirement to prepare, for the current year, consolidated financial statements as it and its subsidiary undertakings are included by full consolidation 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. 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.

2.4 Going Concern

The Company's loss after tax for the financial year was \$(2,675,652) (2021: \$(3,751,566)) and as at 31 December 2022 the Company had net assets of \$1,418,259,504 (2021: \$1,420,935,156).

World Kinect Corporation has agreed to provide adequate financial support for a period of at least twelve months following the date of the Independent Auditors' Report for the Company's financial statements for the year ended 31 December 2022, 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 2022, as and when they fall due, and further confirms that no credit loss will be incurred by the Company in respect of the amounts owed to it by fellow group undertakings for the periods presented within these financial statements.

As a result of the support from the Ultimate Parent Undertaking, the Director has a reasonable expectation 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.

2.5 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

Notes to the financial statements for the year ended 31 December 2022

- 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.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is United States Dollar ("USD").

Transactions and balances

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

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.

Foreign exchange gains and losses are presented in the Statement of Comprehensive Income within finance income/expense as these are primarily related to the Company's financing arrangement and therefore best represents the source of the transaction.

2.7 Investments in subsidiaries

Investments in subsidiary companies are held at cost less accumulated impairment losses.

2.8 Impairment of non-financial assets

The Company assesses at each Balance Sheet date whether there is objective evidence that the non-financial assets are impaired. 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.

2.9 Interest income

Interest income is recognised using the effective interest method.

2.10 Borrowings costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred using the effective interest method.

Notes to the financial statements for the year ended 31 December 2022

2.11 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.12 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.

2.13 Financial assets

Classification

The Company classifies its financial assets in the following category: loans and receivables. The classification depends on the purpose for which the financial assets were acquired. 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 loans and receivables comprise "trade and other receivables" in the Balance Sheet.

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 the Statement of Comprehensive Income 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

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or 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.

Notes to the financial statements for the year ended 31 December 2022

2.14 Trade and other receivables

Trade and other receivables are amounts due from related companies for services performed in the ordinary course of business. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.15 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.

2.16 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.

2.17 Share capital and reserves

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. The Company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.
- Share premium represents the amounts received in excess of value of each individual ordinary share in issue.
- Retained earnings represents cumulative profits or losses, net of dividends paid.

2.18 Dividend distribution

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

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

In the application of the Company's accounting policies, the directors' are 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.

Notes to the financial statements for the year ended 31 December 2022

Judgement in applying accounting policies

The judgement in applying accounting policies 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.

Intercompany transactions

The Company determines whether transactions with other subsidiary undertakings of the group have been conducted on an arm's 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.

Key sources of estimation uncertainty

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

Recoverability of intercompany receivables

The Company has intercompany receivables, which are expected to be received without a discount. In assessing the recoverability of amounts owed to the Company by fellow group undertakings, Management has considered the anticipated cash flow within the wider Group and the support from the Ultimate Parent Undertaking, and has deemed these balances recoverable.

Loans payable from related parties

The Company has entered into a loan agreement with a related party during the year. 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 loan agreements with other group companies have been conducted on an arms' length basis, the directors note 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 the worldwide Group.

4. Operating loss

Operating (loss) is stated after charging:

| | 2022 \$ | 2021 \$ |
|--|------------|------------|
| Fees payable to the Company's auditor: | | |
| - for the audit of the Company's annual financial statements | 28,906 | 24,075 |

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

Notes to the financial statements for the year ended 31 December 2022

5. Employee cost and directors' remuneration

The Company had no employees during the year ended 31 December 2022 and 31 December 2021.

The Company's directors received no remuneration during the year ended 31 December 2022 and 31 December 2021 in connection with their services to the Company.

6. Finance income

| | 2022 \$ | 2021 \$ |
|---|--------------------------|--------------------------|
| Bank interest from cash pooling arrangement | 19,786,605 | 18,674,872 |
| Foreign exchange gain | — | 102 |
| Total finance income | <u>19,786,605</u> | <u>18,674,974</u> |

7. Finance costs

| | 2022 \$ | 2021 \$ |
|---|--------------------------|--------------------------|
| Intercompany borrowing interest expense | 22,358,211 | 22,381,193 |
| Foreign exchange loss | 22,369 | — |
| Total finance costs | <u>22,380,580</u> | <u>22,381,193</u> |

8. Income tax

| | 2022 \$ | 2021 \$ |
|--|----------------------|-----------------|
| Current tax | | |
| Withholding tax | 23,394 | — |
| Total tax charge/(credit) for the year | <u>23,394</u> | <u>—</u> |

The tax assessed for the year is higher (2021 – higher) than the standard rate of corporation tax in the UK. The differences are explained below:

| | 2022 \$ | 2021 \$ |
|---|----------------------|--------------------|
| (Loss) on ordinary activities before tax | <u>(2,652,258)</u> | <u>(3,751,566)</u> |
| (Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%) | (503,929) | (712,798) |
| Effects of: | | |
| Losses surrendered for nil consideration | 8,618,477 | 2,635,347 |
| Timing Differences | (5,039,104) | 1,490,984 |
| Income not deductible for tax purposes | (3,075,444) | (3,413,533) |
| Withholding tax | 23,394 | — |
| Total tax result for the year | <u>23,394</u> | <u>—</u> |

Notes to the financial statements for the year ended 31 December 2022

Factors that may affect future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that from 1 April 2023, there is no longer a single Corporation Tax rate for non-ring fence profits. From 1 April 2023, the Corporation Tax main rate for non-ring fence profits will increase to 25% for profits above £250,000. For profits of £50,000 or less, a small profits rate of 19% will be applicable. A marginal relief scheme with a gradual increase in the effective Corporation Tax rate for profits in between these amounts will also be applicable.

9. Investments

| Shares in subsidiary undertakings | |
|---|----------------------|
| Cost: | \$ |
| As at 1 January 2022 | 1,658,990,869 |
| Additions | 1,998,000 |
| As at 31 December 2022 | 1,660,988,869 |
| Accumulated impairment: | |
| As at 1 January and 31 December 2022 | (12,093,073) |
| Net book value at 31 December 2022 | 1,648,895,796 |
| Net book value at 31 December 2021 | 1,646,897,796 |

During December 2022, the Company invested \$1,998,000 to the capital of WFS Peru S.R.L. in exchange for 7,668,304 shares.

All shares in subsidiary undertakings disclosed in the tables below relate to ordinary shares.

The following are wholly-owned subsidiary undertakings of the Company as at 31 December 2022:

| Subsidiary | Principal business activity | Immediate parent | Address | Percentage of ownership |
|----------------------------------|------------------------------------|-----------------------------------|---|--------------------------------|
| WFS US Holding Company V, LLC | Investment Holding Company | WFS UK Holding Company II Limited | 1200 S. Pine Island Road, Plantation 33324, United States of America | 100% |
| World Fuel Services Europe, Ltd. | Fuel, Services, and Trading | WFS UK Holding Company II Limited | The Broadgate Tower, Third Floor, 20 Primrose Street, London, EC2A 2RS, United Kingdom | 100% |
| MH Aviation Services (Pty) Ltd. | Flight Support services | WFS UK Holding Company II Limited | 5th Floor Katherine and West, 114 West Street, Sandton, Johannesburg, Gauteng, 2196, South Africa | 100% |
| Yacht Fuel Services Limited | Dormant | WFS UK Holding Company II Limited | The Broadgate Tower, Third Floor, 20 Primrose Street, London, EC2A 2RS, United Kingdom | 100% |
| World Fuel Gas and Power Limited | Dormant | WFS UK Holding Company II Limited | The Broadgate Tower, Third Floor, 20 Primrose Street, London, EC2A 2RS, United Kingdom | 100% |
| The Lubricant Company Limited | Investment Holding Company | WFS UK Holding Company II Limited | Summit House, 4-5 Mitchell Street, Edinburgh, Scotland, United Kingdom | 100% |

Notes to the financial statements for the year ended 31 December 2022

| | | | | |
|---|----------------------------|-----------------------------------|---|------|
| LFO Holdings Limited | Investment Holding Company | WFS UK Holding Company II Limited | The Broadgate Tower, Third Floor, 20 Primrose Street, London, EC2A 2RS, United Kingdom | 100% |
| WF Lubricants S.L. | Oil Trading | WFS UK Holding Company II Limited | Lugar Sotogrande, Num. 8, EDF Sotomarket, 11310, San Roque (Cadiz), Spain | 100% |
| World Fuel Services Turkey Petrol Urunleri Dagitim Ve Ticaret Limited Sirketi | Oil Trading | WFS UK Holding Company II Limited | Maslak Mah. Eski Buyukdere Cad., No: 9/78 iz Plaza Giz Giris Kat Oda, No: 9-DA , Sariyer, Istanbul, 34398, Turkey | 100% |
| Oil Shipping Korea Limited | Oil Trading | WFS UK Holding Company II Limited | Dongbang Logistics Center #302, 15-6 Sinhang 4Ro Jinhae Gu, Changwon Si, Gyeongsangnam-do, Republic of Korea | 100% |
| World Fuel Services South Africa (Pty) Ltd | Oil Trading | WFS UK Holding Company II Limited | 5th Floor Katherine and West, 114 West Street, Sandton, Johannesburg, Gauteng, 2196, South Africa | 100% |
| Colt International Europe SARL | Aviation Fuel Trading | WFS UK Holding Company II Limited | Rue des Sablieres 5, 1217 Meyrin, Satingy, Switzerland | 100% |
| World Fuel Services (Denmark) ApS | Fuel Services and Trading | WFS UK Holding Company II Limited | Torvebyen 8, 1th, 4600 Koge, Denmark | 100% |

The following are wholly-owned subsidiary undertakings of the Company's subsidiaries as at 31 December 2022:

| Subsidiary | Principal business activity | Immediate parent | Address | Percentage of ownership |
|---------------------------------|-----------------------------|----------------------------------|---|-------------------------|
| Linton Fuel Oils Limited* | Dormant | LFO Holdings Limited | The Broadgate Tower, Third Floor, 20 Primrose Street, London, EC2A 2RS, United Kingdom | 100% |
| AVCARD Services (BVI), Ltd. | Oil Trading | World Fuel Services Europe, Ltd. | ECSL, Jayla Place, Wickham's Cay I, Road Town, Tortola, British Virgin Islands | 100% |
| World Fuel Services Canada, ULC | Oil Trading | LFO Holdings Limited | 1750-1055 West Georgia St., Vancouver BC V6E 3P3, Canada | 100% |
| Advance Petroleum LLC | Oil Trading | WFS US Holding Company V, LLC | C T Corporation System, 1200 South Pine Island Road, Plantation FL 33324, United States | 100% |
| Nordic Camp Supply B.V. | Oil Trading | The Lubricant Company Limited | Volmerlaan 5, 2288 GC Rijswijk, Netherlands | 100% |
| Nordic Camp Supply Estonia OÜ | Oil Trading | Nordic Camp Supply B.V. | Harju maakond, Tallinn, Kesklinna linnaosa, Liivalaia 45, 10145, Estonia | 100% |
| Kinect Energy UK Limited | Energy Consulting | World Fuel Services Europe, Ltd. | The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS, UK | 100% |
| Orchard (Holdings) UK Limited | Investment Holding Company | World Fuel Services Europe, Ltd. | The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS, UK | 100% |
| Orchard Energy Limited | Energy Broker | Orchard (Holdings) UK Limited | The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS, UK | 100% |

Notes to the financial statements for the year ended 31 December 2022

| | | | | |
|--|--------------------------------|--------------------------------------|---|------|
| Redline Oil Services Limited | Provision of manpower services | World Fuel Services Aviation Limited | The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS, UK | 100% |
| World Fuel Services France SAS | Aviation Fuel Trading | World Fuel Services Europe, Ltd. | Gare De Lyon, 37-39 Av Ledru Rollin, Paris 12, 75012, France | 100% |
| World Fuel Services Aviation Limited | Aviation Fuel Trading | World Fuel Services Europe, Ltd. | The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS, UK | 100% |
| World Fuel Services Italy S.r.L | Aviation Fuel Trading | World Fuel Services Europe, Ltd. | Corso Vercelli 40, Milano (MI) CAP 20145, Italy | 100% |
| Trans-Tec International S.R.L. | Oil Trading | AVCARD Services (BVI), Ltd. | Sabana Business Centre, Piso 11, 68th Street and Boulevard Rohrmoser, San José, 5173-1000, Costa Rica | 100% |
| World Fuel Cayman Holding Company IV | Investment Holding Company | AVCARD Services (BVI), Ltd. | Clifton House, 75 Fort Street, Grand Cayman KY1-1108, PO Box 1350, Cayman Islands | 100% |
| World Fuel Services International (Panama) LLC | Oil Trading | World Fuel Cayman Holding Company IV | Nicanor de Obarrio Avenue, 50th Street, Credicorp Bank Building, 26th Floor, Panama City, Panama | 100% |
| World Fuel International S.R.L. | Oil Trading | AVCARD Services (BVI), Ltd. | Sabana Business Centre, Piso 11, 68th Street and Boulevard Rohrmoser, San José, 5173-1000, Costa Rica | 100% |
| World Fuel Services (Bahamas) LLC | Oil Trading | World Fuel International S.R.L. | Suite 12, Caves Village Plaza, PO Box CB – 11148, Nassau, Bahamas | 100% |
| World Fuel Services Trading DMCC | Oil Trading | AVCARD Services (BVI), Ltd. | Office 2003 A, Swiss Tower, Cluster Y, Jumeirah Lakes Towers, PO Box 340513, Dubai, UAE | 100% |
| WFS Danish Holding Company I ApS | Investment Holding Company | The Lubricant Company Limited | Torvebyen 8, 1th, 4600 Koge, Denmark | 100% |
| Nordic Camp Supply ApS | Oil Trading | WFS Danish Holding Company I ApS | Strommen 6, DK-9400 , Nr.Sundby, Denmark | 100% |
| NCS UK Holding Co. Limited | Investment Holding company | World Fuel Services Europe, Ltd. | The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS UK | 100% |
| WFS Netherlands Holding B.V. | Investment Holding company | World Fuel Services Europe, Ltd. | Vasteland 6, 3011 BK , Rotterdam, Netherlands | 100% |
| WF Aviation Services SAS | Provision of manpower services | WFS Netherlands Holding B.V | Gare De Lyon, 37-39 Av Ledru Rollin, Paris 12, 75012, France | 100% |

The following entities are partly owned by the Company as at 31 December 2022:

| Subsidiary | Principal business activity | Immediate parent | Address | Percentage of ownership |
|-----------------------------------|-----------------------------|-----------------------------------|--|-------------------------|
| World Fuel Services CZ s.r.o | Oil Trading | WFS UK Holding Company II Limited | Prague 8, Karlín, Karolinska 661/4, 186 00, Czech Republic | 99.00%* |
| World Fuel Services Kenya Limited | Oil Trading | WFS UK Holding Company II Limited | Plot LR No. 209/8287, ICEA Building, 4th Floor, Kenyatta Avenue, P. O. Box 30333-00100, Nairobi, Kenya | 0.10%* |
| World Fuel Services Belgium BVBA | Oil Trading | WFS UK Holding Company II Limited | De Keyserlei 58-60 bus 19, 2018 Antwerpen, Belgium | 52.17%* |

Notes to the financial statements for the year ended 31 December 2022

| | | | | |
|---|---------------------------|-----------------------------------|---|---------|
| PT Servicios de Guatemala, Limitada | Oil Trading | WFS UK Holding Company II Limited | Diagonal 6 10-01, Zona 10, Centro Gerencial Las Margaritas Torre, 2 Oficina, Guatemala, 1101, Guatemala | 99.00%* |
| Tramp Oil & Marine (Chile) Limitada | Oil Trading | WFS UK Holding Company II Limited | Avenida Nueva Libertad # 1405, Región de Valparaíso, Vina del Mar, 1302, Chile | 0.01%* |
| World Fuel Services Peru S.R.L. | Oil Trading | WFS UK Holding Company II Limited | d Av. Víctor A. Belaúnde 147, Centro Empresarial Real, Edificio Real 3, Piso 12, Lima 27, Peru | 99.90%* |
| World Fuel Services Pakistan (Pvt.) Limited | Oil Trading | WFS UK Holding Company II Limited | Office # 730, 7th Floor Executive Tower, Dolmen Mall, Clifton, Karachi, Pakistan | 99.00%* |
| Gib Oil Limited | Fuel Services and Trading | WFS UK Holding Company II Limited | 57/63 Line Wall Road, Gibraltar, GX11 1AA, Gibraltar | 99.00% |
| Quintessentially Aviation Limited | Leisure | WFS UK Holding Company II Limited | 29 Portland Place, London, Greater London, WIB 1QB, United Kingdom | 33.36% |
| Quintessentially Villas Limited | Leisure | WFS UK Holding Company II Limited | 30 Portland Place, London, Greater London, WIB 1QB, United Kingdom | 37.50% |
| Quintessentially Driven Limited | Leisure | WFS UK Holding Company II Limited | 31 Portland Place, London, Greater London, WIB 1QB, United Kingdom | 37.50% |

*The Company indirectly holds 100% ownership of this entity through being the sole shareholder of the parent.

The following entities are either partly or jointly owned by the Company's subsidiaries as at 31 December 2022:

| Subsidiary | Principal business activity | Immediate parent | Address | Percentage of ownership |
|--|--------------------------------|--------------------------------------|--|-------------------------|
| Servicios Auxiliares de Mexico, S. de R.L. de C.V. | Provision of manpower services | WFS US Holding Company V, LLC | Alejandro Loera Aguilar, G. Gonzalez Camarena No. 1200, 4 Piso, Santa Fe, DF, 01210, Mexico | 50% and 50%* |
| Tramp Oil & Marine (Argentina) S.R.L | Oil Trading | Tramp Oil & Marine (Chile) Limitada | Juan Maria Gutierrez, Piso 7, Oficina 703, Buenos Aires, 3765, Argentina | 1% and 5%* |
| World Fuel Services Mexico, S. de R.L. de C.V. | Oil Trading | WFS US Holding Company V, LLC | Alejandro Loera Aguilar, G. Gonzalez Camarena No. 1200, 4 Piso, Santa Fe, DF, 01210, Mexico | 50% and 50%* |
| World Fuel Services (Panama) LLC | Oil Trading | World Fuel Cayman Holding Company IV | Nicanor de Obarrio Avenue, 50th Street, Credicorp Bank Building, 26th Floor, Panama City, Panama | 50% and 50%* |
| WFL Mozambique, LDA | Oil Trading | World Fuel Services Trading DMCC | Urban District 1, Sommerschild Area, Kenneth Kaunda Ave; No. 783, Maputo City, Mozambique | 99% and 1%* |
| World Fuel Services Chile, Limitada | Oil Trading | Tramp Oil & Marine (Chile) Limitada | Avenida Nueva Libertad 1405, Vina del Mar, Chile | 75% and 25%* |
| WFS Agencia de Naves, Limitada | Oil Trading | Tramp Oil & Marine (Chile) Limitada | Avenida Nueva Libertad 1405, Vina del Mar, Chile | 99% and 1%* |
| World Fuel Services Argentina S.R.L | Oil Trading | Tramp Oil & Marine (Chile) Limitada | Juan Maria Gutierrez, Piso 7, Oficina 703, Buenos Aires, 3765, Argentina | 18% and 82%* |

Notes to the financial statements for the year ended 31 December 2022

| | | | | |
|--|---|--|---|--------|
| Hellenic Aviation Fuel Company S.A. | Aviation fuels marketing | World Fuel Services Europe, Ltd. | 145 Vasileos Pavlou, 1900 Spata, Athens, Greece | 51.00% |
| Nature Port Reception Facilities Limited | Marine Fuel Supply | Gib Oil Limited | Fiduciary Management Limited, Portland House, Glacis Road, GX11 1AA, Gibraltar | 99% |
| World Fuel Services (KG) LLC | Fuel Storage | World Fuel Services Aviation Limited | 154 Kievskaya Street, Apartment 61, Bishkek, Kyrgyz Republic | 5% |
| Combustibles Aereos Nacionales, S. de R.L. de C.V. | Dormant | World Fuel Services México, S. de R.L. de C.V. | Alejandro Loera Aguilar, G. Gonzalez Camarena No. 1200, 4 Piso, Santa Fe, DF, 01210, Mexico | 51% |
| Exeno Yamamizu Corporation | Oil Trading | World Fuel Services Europe, Ltd. | 4-4-2, Nihonbashi Hon-cho, Chuo-ku, Tokyo, 103-0023, Japan | 5% |
| Manchester Airport Storage and Hydrant Company Limited | Fuel storage and hydrant system operation | World Fuel Services Aviation Limited | Bircham Dyson Bell, 50 Broadway, London, SW1H 0BL | 25% |
| PPT Aviation Services Limited | Oil Trading | World Fuel Services Europe, Ltd. | 1 Killis Street, Larnaca, Cyprus | 25% |
| Intoplane Services (Gibraltar) Limited | Into-plane services | Gib Oil Limited | Suite 1 Burns House 19, Town Range, Gibraltar | 50% |
| SERAM S.P.A. | Aviation fuel storage and distribution | World Fuel Services Italy S.r.L | Via Carlo del Prete 00054 Aeroporto Fiumicino, Rome, Italy | 13% |
| World Fuel Services Argentina S.R.L | Oil Trading | World Fuel Services Europe, Ltd. | Juan Maria Gutierrez, Piso 7, Oficina 703, Buenos Aires, 3765, Argentina | 82%* |
| World Fuel Services Belgium BVBA | Oil Trading | World Fuel Services Europe, Ltd. | De Keyserlei 58-60 bus 19, 2018 Antwerpen, Belgium | 47.82% |

*The Company indirectly holds 100% ownership of this entity through being the sole shareholder of the parent.

10. Trade and other receivables

Current assets

| | 2022 \$ | 2021 \$ |
|--|--------------------|-------------------|
| Debenture loans and capitalised interest | 294,740,092 | 44,292,358 |
| Interest receivable from related company | — | 7,244,181 |
| Amounts due from group undertakings* | — | 620,113 |
| Total current trade and other receivables | 294,740,092 | 52,156,652 |

*These amounts owed from group undertakings are unsecured, non-interest bearing, have no fixed date of repayment and are repayable on demand.

As at 31 December 2022, the Company is currently party to a discounted zero-coupon loan note receivable from World Fuel Services European Holding Company I Limited, a related company. The loan note was subscribed for \$173,723,023 and has a maturity term of 7 years repayable on 31 December 2023 with an effective interest rate of 6.5% per annum. Amortised interest receivable on the zero-coupon loan as at 31 December 2022 is \$79,776,474 (2021: \$64,316,771). This loan note receivable has been presented as non-current in the year ended 31 December 2021, and current in the year ended 31 December 2022 based upon the settlement date as at both balance sheet dates.

Notes to the financial statements for the year ended 31 December 2022

As at 31 December 2022, the Company is also party to a discounted zero-coupon loan note receivable from World Fuel Services Aviation Limited, a related company. The loan note was subscribed for \$28,262,151 and has a maturity term of 7 years repayable on 31 December 2023 with an effective interest rate of 6.5% per annum. Amortised Interest receivable on the zero-coupon loan as at 31 December 2022 is \$12,978,445 (2021: \$10,463,382). This loan note receivable has been presented as non-current in the year ended 31 December 2021, and current in the year ended 31 December 2022 based upon the settlement date as at both balance sheet dates.

Non-current assets

Amounts owed to group undertakings are unsecured, non-interest bearing and are repayable on demand.

| | 2022 \$ | 2021 \$ |
|--|-------------------|--------------------|
| Debtore loans and capitalised interest | 55,492,358 | 276,765,327 |
| Interest receivable from related company | 9,054,927 | — |
| Total non-current trade and other receivables | 64,547,285 | 276,765,327 |

As at 31 December 2022, the Company has in issue a loan note receivable from WFS UK Holding Company III Limited for an amount of \$44,292,358 (2021: \$44,292,358). This loan bears interest at 4% per annum. The original term of this loan was 3 years, with a maturity date of 7 March 2017. On this date, the term of the loan was extended for a further five years, with a new repayment date of 7 March 2022. As part of the extension, the interest rate remains the same and is receivable at the termination date of the extension agreement. Effective 7 March 2022, the term of the loan was extended for a further two years, with a new repayment date of 7 March 2024. As part of the extension, the interest rate remains the same and is receivable at the termination date of the extension agreement. Interest receivable as at year end is \$8,922,369 (2021: \$7,244,181).

On 29 July 2022, the Company granted a \$15,000,000 financing facility to Tramp Oil (Brasil) Ltda., a related company. The facility has a maturity term of 5 years repayable on 28 July 2027 with an effective interest rate of 8.0% per annum. On 29 July 2022, Tramp Oil (Brasil) Ltda. drew down on the facility a total of \$11,200,000. Accrued interest receivable on the facility as at 31 December 2022 is \$132,558 (2021: \$nil).

11. Trade and other payables

Current liabilities

| | 2022 \$ | 2021 \$ |
|---------------------------------------|-------------------|--------------------|
| Amounts due to group undertakings | 36,024,999 | 164,531,889 |
| Other creditors | 36,070 | 56,901 |
| Total trade and other payables | 36,061,069 | 164,588,790 |

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

Notes to the financial statements for the year ended 31 December 2022

12. Borrowings

Current borrowings

| | 2022 \$ | 2021 \$ |
|---------------------------------|--------------------|-------------------|
| Notes payable | 367,916,781 | — |
| Accrued interest payable | 22,381,604 | 22,381,604 |
| Total current borrowings | 390,298,385 | 22,381,604 |

Non-Current borrowings

| | 2022 \$ | 2021 \$ |
|------------------------------------|--------------------|--------------------|
| Loans payable to related companies | 163,566,771 | — |
| Notes payable | — | 367,916,781 |
| | <u>163,566,771</u> | <u>367,916,781</u> |

On 29 December 2016 the Company issued loan notes totaling \$367,916,781 to the immediate parent undertaking, World Fuel Services (Singapore) Pte. Ltd. The loan notes bear a fixed interest rate of 6% per annum. The loan has a maturity term of seven years due on 31 December 2023 with interest payable annually. On 2 January 2018 this loan was re-assigned to another related group Company, World Fuel Services (Singapore) II Pte. Limited. Interest payable on the loan as at 31 December 2022 is \$22,381,604 (2021: \$22,381,604). This loan note has been presented as non-current in the year ended 31 December 2021, and current in the year ended 31 December 2022 based upon the settlement date as at both balance sheet dates.

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.

This agreement is intended as a line of credit which allows the Company to lend funds through deposits, or, alternatively, borrow funds from UK FINCO up to an aggregate principal amount of \$180,000,000, of which, either position must be maintained net as either debtor or creditor with UK FINCO at the end of each period. The line of credit allows the Company to borrow, repay and redraw, as necessary, during the term of the agreement up to the limit mentioned above.

The net deposit position with UK FINCO bears interest at a rate determined based on the interest received for outstanding time deposits by UK Monetary Financial Institutions as published by The Bank of England, and, for any borrowing position, the applicable interest rate will be this rate plus 0.25%, with the first interest period beginning on 1 July 2023. No interest has been applied, due or payable by either party on any balance position of either the Company or UK FINCO, during the transitional period which begins on the effective date and ends on 30 June 2023.

The Company has outstanding borrowings with UK FINCO of \$163,566,771 at 31 December 2022 (2021: \$nil), and recognised zero interest expense on its net borrowings position during the year ended 31 December 2022.

Notes to the financial statements for the year ended 31 December 2022

13. Share capital

| | 2022 \$ | 2021 \$ |
|---|------------|------------|
| Authorised, allotted, called up and fully paid 205 (2021: 205) ordinary shares of £1.00 (US\$1.58/£) each | 323 | 323 |

14. Controlling party

The immediate parent undertaking is World Fuel Services (Singapore) Pte Ltd, a company incorporated in Singapore.

The Ultimate Parent Undertaking and controlling party is World Kinect Corporation, a company incorporated in the State of Florida 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, Miami, Florida USA 33178.

15. Post balance sheet events

On 15 June 2023 the Company has approved the share capital reduction, comprising the reduction of the Company's share premium account by \$500,000,000 to \$540,188,547 and transferring the full amount of \$500,000,000 to the Company's retained earnings.

On 20 September 2023, Tramp Group Limited, a wholly-owned subsidiary of World Kinect Corporation, completed the sale of Tramp Oil Germany GmbH, a wholly-owned subsidiary of Tramp Group Limited, to the Company. This transaction involved the sale of all shares and assigns the participation rights and all profits to the Company for a purchase price of \$37,400,000 which was paid on 21 September 2023. The transaction was structured as an arms-length transaction and was approved by the respective boards of directors of Tramp Group Limited and the Company.