

Tramp Holdings Limited

Annual Report and Financial Statements

Year Ended

31 December 2020

Company Number 02136576

Tramp Holdings Limited

Company Information

Director	Richard Donald McMichael
Company secretary	Reed Smith Corporate Services Limited
Registered number	02136576
Registered office	The Broadgate Tower Third Floor 20 Primrose Street London EC2A 2RS United Kingdom
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Tramp Holdings Limited

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Tramp Holdings Limited

Strategic Report For the Year Ended 31 December 2020

The director presents herewith his Strategic Report and Director's Report together with the audited financial statements of Tramp Holdings Limited (the "Company") for the year ended 31 December 2020.

Principal activities

The Company, limited by share capital, incorporated in England and Wales in the United Kingdom, is a wholly owned subsidiary of World Fuel Services European Holding Company I, Ltd, also incorporated in England and Wales in the United Kingdom. The ultimate holding company is 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 loss after tax for the financial year amounted to \$87,045 (2019: profit after tax of \$42,612) and net assets as at 31 December 2020 were \$43,780,038 (2019: \$43,867,083). The movement in the Company's reported result after tax when compared to the prior year is primarily driven by exchange rate movements, resulting in a \$20 loss in 2020 compared to a \$99,499 gain in the prior year, and an increase in the tax charge due to the imputing of interest for taxation purposes.

No dividend income was received during the year ended 31 December 2020 (2019: \$nil).

The current director is 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 Fuel Services group and are not managed separately. World Fuel Services Corporation is the parent undertaking of the only group of undertakings to consolidate these financial statements. The principal risks and uncertainties of World Fuel Services Corporation, the Ultimate Parent Undertaking, are discussed from page 6 of the 2020 annual report on Form 10-K which does not form part of this report.

Key performance indicators ("KPIs")

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

	2020	2019	Change	Change
	\$	\$	\$	%
Net assets	43,780,038	43,867,083	(87,045)	-0.2%

The change in the KPI is wholly attributable to the loss for the year, as reported in the business review above.

Section 172(1) statement

The Company's key stakeholder engagement and decision making are integrated with the principles of the Ultimate Parent Undertaking (note 11). 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 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.

Tramp Holdings Limited

Strategic Report (continued) For the Year Ended 31 December 2020

Section 172(1) statement (continued)

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 2020, whilst fulfilling their duties 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 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 director discharges their section 172 duty 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 (defined below), details of which can be found at: <https://ir.wfscorp.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. 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 2020, the director continued to implement the Company's key objectives. In the year ended 31 December 2020, 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 above in the Strategic Report (page 1).

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



Richard Donald McMichael
Director

Date: 25 June 2021

Tramp Holdings Limited

Director's Report For the Year Ended 31 December 2020

Director

The director who served during the year ended 31 December 2020 and up to the date of signing the financial statements are as follows:

Richard Donald McMichael

Director's 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 2020 and as at the date of approval of the Annual Report.

Dividends

The Company paid no interim dividend for the year ended 31 December 2020 (2019: \$nil). No final dividend is proposed for the year ended 31 December 2020 (2019: \$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 Fuel Services Corporation Group. The financial risk objectives, policies and exposures are described in the financial statements of the Ultimate Parent Undertaking in the 2020 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 amounts due from related companies denominated in Sterling. The Company mitigates this risk through entry into group foreign currency hedges. The purpose of the hedge is to mitigate risk across a number of the World Fuel 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 and Interest rate risk

The Company has no exposure to price or interest rate risk given the activities the Company performs.

Credit risk

Credit risk arises from trade and other receivables. As at 31 December 2020, the Company has receivables of \$6,699,755 (2019: \$6,496,950), all of which is due from wider group undertakings. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables as presented on the Balance Sheet. The Company does not hold any collateral as security.

Liquidity risk

The Company relies on unsecured credit 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.

Tramp Holdings Limited

Director's Report (continued) For the Year Ended 31 December 2020

Financial risk management (continued)

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 Fuel Services Corporation group structure and funds are made available to the Company as required. Furthermore, the director has obtained confirmation from World Fuel Services 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.

Future Developments

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

Impact of COVID-19

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The pandemic and associated impacts to the global economic conditions had no direct effect on the Company given its principal activities. The wider Group continues to assess and manage the impact of COVID-19 on the Company's investments, as part of the general operations.

Going Concern

The Company's loss after tax for the financial year was \$87,045 (2019: profit of \$42,612) and as at 31 December 2020 the Company had net assets of \$43,780,038 (2019: \$43,867,083).

World Fuel Services Corporation, the Ultimate Parent Undertaking of Tramp Holdings 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 2020, 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 2020, 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 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.

Whilst COVID-19 has had an effect on the World Fuel Services Corporation group, due to initiatives taken relating to cost reduction, liquidity and operating efficiencies, it has not affected the parent's ability to provide adequate financial support for at least 12 months from the date of the audit report.

Disclosure of information to auditor

The person who was director at the time when this Director's Report is approved has confirmed that:

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

Tramp Holdings Limited

Director's Report (continued)
For the Year Ended 31 December 2020

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: 25 June 2021

Tramp Holdings Limited

Statement of Director's Responsibilities For the Year Ended 31 December 2020

Statement of Director's Responsibilities

The director is responsible for preparing the Strategic Report, 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. 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 year.

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

Tramp Holdings Limited

Independent Auditor's Report to the Members of Tramp Holdings 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 2020 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 Tramp Holdings Limited ("the Company") for the year ended 31 December 2020 which comprise Statement of Comprehensive Income, Balance Sheet and Statement of Changes in Equity, and the 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 Auditors' responsibilities for the audit of the financial statements section of our report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Tramp Holdings Limited

Independent Auditor's Report to the Members of Tramp Holdings Limited (continued)

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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 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 take advantage of the small companies regime and take advantage of the small companies' exemptions in preparing the Director's Report.

Responsibilities of director

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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

Tramp Holdings Limited

Independent Auditor's Report to the Members of Tramp Holdings Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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:

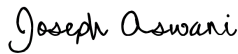
- We obtained an understanding of the legal and regulatory frameworks applicable to the entity and determined that the most significant which are directly relevant to the specific assertions in the financial statements are those related to the reporting framework (Financial Reporting Standard 101, the 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;
- 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 for the audit of the financial statements is located at 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, UK

Date: 26 June 2021

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

Tramp Holdings Limited

Statement of Comprehensive Income For the Year Ended 31 December 2020

	Note	2020 \$	2019 \$
Administrative expenses		(30,928)	52,720
(Loss)/profit for the financial year before taxation	4	(30,928)	52,720
Income tax expense	6	(56,117)	(10,108)
(Loss)/profit for the financial year after taxation		(87,045)	42,612
(Loss)/profit for the financial year after taxation and total comprehensive (loss)/profit for the year		(87,045)	42,612

All amounts relate to continuing activities.

There was no other comprehensive income or loss during the year ended 31 December 2020, or the year ended 31 December 2019.

The notes on pages 13 to 21 form part of these financial statements.

Tramp Holdings Limited

Registered number: 02136576

Balance Sheet As at 31 December 2020

	Note	2020 \$	2019 \$
Non-current assets			
Investments	7	45,512,003	45,512,003
Current assets			
Trade and other receivables	8	6,699,755	6,496,950
Total current assets		<u>6,699,755</u>	<u>6,496,950</u>
Total assets		<u>52,211,758</u>	<u>52,008,953</u>
Current liabilities			
Trade and other payables	9	(8,431,720)	(8,141,870)
Net assets		<u>43,780,038</u>	<u>43,867,083</u>
Equity			
Share capital	10	10,557,636	10,557,636
Share premium		25,304,729	25,304,729
Other reserves		8,850,000	8,850,000
Retained earnings		(932,327)	(845,282)
Total shareholder's funds		<u>43,780,038</u>	<u>43,867,083</u>

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: 25 June 2021

The notes on pages 13 to 21 form part of these financial statements.

Tramp Holdings Limited

Statement of Changes in Equity For the Year Ended 31 December 2020

	Share capital \$	Share premium \$	Other reserves \$	Retained earnings \$	Total shareholders' funds \$
Balance at 1 January 2019	10,557,636	25,304,729	8,850,000	(887,894)	43,824,471
Profit for the financial year after taxation and total comprehensive profit for the year	-	-	-	42,612	42,612
Balance at 31 December 2019	<u>10,557,636</u>	<u>25,304,729</u>	<u>8,850,000</u>	<u>(845,282)</u>	<u>43,867,083</u>
Loss for the financial year after taxation and total comprehensive loss for the year	-	-	-	(87,045)	(87,045)
At 31 December 2020	<u><u>10,557,636</u></u>	<u><u>25,304,729</u></u>	<u><u>8,850,000</u></u>	<u><u>(932,327)</u></u>	<u><u>43,780,038</u></u>

The notes on pages 13 to 21 form part of these financial statements.

Tramp Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2020

1. General information

Tramp Holdings 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 European Holding Company I, Ltd, also incorporated in England and Wales in the United Kingdom. The ultimate holding company is 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 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' 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 judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

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 Fuel Services Corporation, which are publicly available (note 11). 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 IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirement of Paragraph 17 and 18A of IAS 24 'Related Party Disclosures' (key management compensation);
- 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.

Tramp Holdings Limited

Notes to the Financial Statements (continued) For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.3 Consolidated financial statements

The financial statements contain information about Tramp Holdings 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 consolidated financial statements as it and its subsidiary undertakings are included in the consolidated statements of its Ultimate Parent Undertaking, World Fuel Services Corporation, a company incorporated in the State of Florida in the United States of America, and whose financial statements are publicly available.

2.4 Going concern

The Company's loss after tax for the financial year was \$87,045 (2019: profit after tax of \$42,612) and as at 31 December 2020 the Company had net assets of \$43,780,038 (2019: \$43,867,083).

World Fuel Services Corporation, the Ultimate Parent Undertaking of Tramp Holdings 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 2020, 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 2020, 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.

Whilst COVID-19 has had an effect on the World Fuel Services Corporation group, due to initiatives taken relating to cost reduction, liquidity and operating efficiencies, it has not affected the parent's ability to provide adequate financial support for at least 12 months from the date of the audit report.

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
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Tramp Holdings Limited

Notes to the Financial Statements (continued) For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.5 Current and deferred income tax (continued)

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

The Company's functional and presentational currency is USD.

Foreign currency transactions are translated into the functional currency using the average rate during the period in which 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 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 administrative expenses.

2.7 Investments in subsidiaries

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

2.8 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.

2.9 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 are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise trade and other receivables in the Balance Sheet.

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

Tramp Holdings Limited

Notes to the Financial Statements (continued) For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.9 Financial Assets (continued)

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.

2.10 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.

2.11 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.

2.12 Share capital and reserves

The following describes each reserve within equity:

- Share capital represents the nominal value of the shares issued.
- Share premium represents the amounts received in excess of the value of each individual ordinary share in issue.
- Retained earnings represent cumulative profits or losses, net of dividends paid.
- Other reserves represent unrealised dividend income received as shares in a wider group undertaking on 31 March 2005.

3. Judgments 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.

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 Fuel Services Corporation.

Tramp Holdings Limited

Notes to the Financial Statements (continued) For the Year Ended 31 December 2020

3. Judgments in applying accounting policies and key sources of estimation uncertainty (continued)

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.

4. (Loss)/profit before taxation

(Loss)/profit before tax is stated after charging:

	2020	2019
	\$	\$
Foreign exchange loss/(gain)	20	(99,499)
Fees payable to the Company's auditor:		
- for the audit of the Company's annual financial statements	13,380	12,935
- for the preparation of the financial statements	1,900	1,900
	<u>13,380</u>	<u>12,935</u>

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

5. Employee costs and director's remuneration

The Company had no employees during the years ended 31 December 2020 and 31 December 2019.

The Company's director received no remuneration during the years ended 31 December 2020 and 31 December 2019 in connection with their services to the Company.

Tramp Holdings Limited

Notes to the Financial Statements (continued) For the Year Ended 31 December 2020

6. Taxation

	2020	2019
	\$	\$
Current tax		
UK corporation tax on (losses)/profits of the year	56,117	10,108
Total tax expense for the year	<u>56,117</u>	<u>10,108</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020	2019
	\$	\$
(Loss)/profit on ordinary activities before tax	(30,928)	52,720
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(5,876)	10,017
Effects of:		
Expenses not deductible for tax purposes	-	91
Imputed interest	61,993	-
Total tax charge for the year	<u>56,117</u>	<u>10,108</u>

Factors that may affect future tax charges

On 12 March 2020, The Chancellor of the Exchequer announced that instead of the rate reducing to 17% from 1 April 2020, the main rate would remain at 19% for the foreseeable future, as used in these financial statements. However this was further updated as part of the Chancellor's Budget announced in March 2021, whereby it was confirmed that the standard rate of corporation tax would rise to 25% from 1 April 2023.

7. Investments

	Shares in subsidiary undertakings \$
Cost as at 1 January 2020 and 31 December 2020	<u>45,512,003</u>
Net book value as at 1 January 2020 and 31 December 2020	<u>45,512,003</u>

Tramp Holdings Limited

Notes to the Financial Statements (continued) For the Year Ended 31 December 2020

7. Investments (continued)

The following entity is a wholly owned subsidiary undertaking of the Company as at 31 December 2020:

<u>Subsidiary</u>	<u>Address</u>	<u>Principal business activity</u>	<u>Percentage ownership</u>
Tramp Group Limited	The Broadgate Tower, Third Floor, 20 Primrose Street, London, EC2A 2RS, United Kingdom	Investment holding company	100%

The following entities are owned by the Company's subsidiary as at 31 December 2020:

<u>Subsidiary</u>	<u>Address</u>	<u>Principal business activity</u>	<u>Immediate parent</u>	<u>Percentage ownership</u>
Tramp Oil (Brasil) Limitada	Praia do Flamengo, 200, Suite 2201, Rio de Janeiro, 22210-065, Brazil	Oil Trading	Tramp Group Limited	99.99%
Tramp Oil Germany GmbH	Schlachte 38, 28195 Bremen, Germany	Oil Trading	Tramp Group Limited	100%
Tramp Oil & Marine Limited	The Broadgate Tower Third Floor, 20 Primrose Street, London, EC2A 2RS, United Kingdom	Marine Fuel Trading	Tramp Group Limited	100%
Tramp Oil Schiffahrts und Handels GmbH & Co.	Schlachte 38, 28195 Bremen, Germany	Oil Trading	Tramp Group Limited	100%
Energie-Tankdienstgesellschaft Bremen GmbH	Hanna-Kunath-Straße 18 28199 Bremen Germany	Into-plane services	Tramp Oil Germany GmbH	100%
Tobras Distribuidora de Combustiveis Limitada	Praia do Flamengo, 200, Suite 2201, Rio de Janeiro, 22210-065, Brazil	Oil Trading	Tramp Oil (Brasil) Ltda.	100%

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

Tramp Holdings Limited

Notes to the Financial Statements (continued) For the Year Ended 31 December 2020

7. Investments (continued)

One of the Company's indirectly held subsidiaries, Tramp Oil Germany GmbH, also has an interest in a number of Partnerships in Germany. These are all GbR format, which are partnerships based on a partnership agreement without legal capacity in order to support a purpose jointly pursued by the partners. GbR's are governed under sections 705-740 BGB (German Civil Code). Disclosure of the interest in the Partnerships has been provided below:

<u>Partnership name</u>	<u>Percentage interest</u>
Berlin Fuelling Services GbR	12.5%
Tanklager-Gesellschaft Tegel GbR	12.5%
Turbo Fuel Services Sachsen GbR	20%
Düsseldorf Jet Services GbR	33.3%
Frankfurt Jet Services GbR	33.3%
Cologne Jet Services GbR	33.3%
Sun Jet Services GbR	33.3%

8. Trade and other receivables

	2020	2019
	\$	\$
Amounts owed by parent undertakings	<u>6,699,755</u>	<u>6,496,950</u>

Amounts owed by parent undertakings are unsecured, non-interest bearing and are repayable on demand.

9. Trade and other payables

	2020	2019
	\$	\$
Amounts owed to group undertakings	8,358,818	8,131,762
Income tax liability	61,402	10,108
Accruals	11,500	-
	<u>8,431,720</u>	<u>8,141,870</u>

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

10. Share capital

	2020	2019
	\$	\$
Authorised, allotted, called up and fully paid		
5,694,400 (2019: 5,694,400) ordinary shares of £1 each (US\$1.65/£)	<u>10,557,636</u>	<u>10,557,636</u>

Tramp Holdings Limited

Notes to the Financial Statements (continued) For the Year Ended 31 December 2020

11. Controlling party

The immediate parent undertaking is World Fuel Services European Holding Company I, Ltd, a company incorporated in England and Wales in the United Kingdom.

The Ultimate Parent Undertaking and controlling party is World Fuel Services Corporation, a company incorporated in the State of Florida in the United States of America.

World Fuel Services Corporation is the parent undertaking of the only group of undertakings to consolidate these financial statements. The consolidated financial statements of World Fuel Services Corporation may be obtained from World Fuel Services Corporation, 9800 NW 41st Street, Miami, Florida USA 33178.