

## **VG EcoFuel Oy**

### **FINANCIAL STATEMENT, 31 DECEMBER 2020**

To be archived until 31.12.2030

**VG EcoFuel Oy**  
**Linnankatu 88**  
**20100 Turku**  
**Domicile Uusikaupunki**  
**Business ID 2855353-9**

**Financial Statement for financial period 1 January - 31 December 2020**

	Page
Balance sheet	2.3-4
Profit and loss account	3.5
Appendices	4.6-9
Signatures and auditor's note	5.10-11
List of accounting books and documentation	5.10-11

The Financial Statement must be retained for ten (10) years from the end of the financial period (Accounting Act: Chapter 2, Section 10).

The Financial Statement receipts must be retained for six (6) years from the year the financial period ended.

Linnakatu 88  
20100 TURKU  
Y-tunnus 2855353-9

Currency: EURO

**31.12.2020**

**31.12.2019**

**LIABILITIES**

**FIXED ASSETS**

Intangible assets

Development expenditures	280 000,00	320 000,00
Other long-term expenditures	6 342,84	7 271,04
<b>Total intangible assets</b>	<b>286 342,84</b>	<b>327 271,04</b>

Tangible assets

Buildings and structures		
Assigned	1 188 016,54	1 274 434,78
Machinery and equipment	18 047,74	20 833,33
Advances and assets under construction	117 621,45	108 741,36
<b>Total tangible assets</b>	<b>1 323 685,73</b>	<b>1 404 009,47</b>

**TOTAL FIXED ASSETS**

**1 610 028,57**      **1 731 280,51**

**CURRENT ASSETS**

Inventories

Finished products	206 291,00	251 621,00
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Receivables

Current

Accounts receivable	183 941,33	19 730,88
Receivables from companies in the same group	175 367,56	131 570,00
Other receivables	12 000,00	30 007,52
Prepayments and accrued income	0,00	0,00
<b>Total current receivables</b>	<b>371 308,89</b>	<b>181 308,40</b>

Disposable assets

1 479,85      0,00

**TOTAL CURRENT ASSETS**

**579 079,74**      **432 929,40**

**TOTAL ASSETS**

**2 189 108,31**      **2 164 209,91**

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31.12.2019

## LIABILITIES

### SHAREHOLDERS' EQUITY

Share capital

Share capital

2 500,00

2 500,00

Other funds

Invested unrestricted equity fund

115 387,38

115 387,38

Profit (loss) from previous financial periods

-361 809,09

-361 723,62

Profit (loss) for financial period

48 914,68

-85,47

### TOTAL SHAREHOLDERS' EQUITY

-195 007,03

-243 921,71

### ACCUMULATED APPROPRIATIONS

Depreciation difference

204 811,68

204 811,68

### TOTAL ACCUMULATED APPROPRIATIONS

### ACCOUNTS PAYABLE

Non-current

Subordinated loan

277 000,00

250 000,00

Loans from credit institutions

339 393,83

460 605,98

Liabilities to companies in the same group

424 225,00

315 725,00

Other liabilities

619 615,00

619 615,00

Total non-current

1 660 233,83

1 645 945,98

Current

Loans from credit institutions

96 969,72

96 969,72

Advances received

12 000,00

0,00

Accounts payable

118 137,26

153 918,63

Liabilities to companies in the same group

252 726,90

260 845,49

Liabilities to associated companies

33 759,13

37 944,00

Other liabilities

417,82

0,00

Accruals and deferred income

5 059,00

7 696,12

Total current

519 069,83

557 373,96

### TOTAL ACCOUNTS PAYABLE

2 179 303,66

2 203 319,94

### TOTAL LIABILITIES

2 189 108,31

2 001 136,57

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**1.1.2020-31.12.2020** **1.1.2019-31.12.2019**

<b>TURNOVER</b>	992 828,32	737 437,10
Materials and services		
Materials, supplies and goods		
Acquisitions during the financial period	-392 579,76	-496 183,82
Addition (+) or subtraction (-) of inventories	-45 330,00	159 716,60
External services	-203 203,58	-151 428,89
Total materials and services	-641 113,34	-487 896,11
Depreciations and reductions in value		
Depreciations according to plan	-134 120,88	-133 221,44
Total depreciations and reductions in value	-134 120,88	-133 221,44
Other business expenses	-322 970,86	-320 253,01
NET OPERATING PROFIT (LOSS)	-105 376,76	-203 933,46
<b>Financial income and expenses</b>		
Other interest and financial income		
From others	3,34	12,32
Interest and other financial expenses		
To others	-20 311,90	-20 120,38
Total financial income and expenses	-20 308,56	-20 108,06
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-125 685,32	-224 041,52
Appropriations		
Addition (-) or subtraction (+) of depreciation difference	0,00	92 386,05
Group subsidies		
Received Group subsidies	174 600,00	131 570,00
Total appropriations	174 600,00	223 956,05
Income taxes	0,00	0,00
PROFIT (LOSS) FOR FINANCIAL PERIOD	48 914,68	-85,47

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### **Accounting Policy**

#### **Observed regulations**

The compilation of the financial statement complies with the Government Decree on the information presented in the financial statements of a small undertaking and micro-undertaking.

#### **Valuation and accrual principles and methods**

The compilation of the financial statement complies with the valuation and accrual principles and methods as stated in the Government Decree on the information presented in the financial statements of a small undertaking and micro-undertaking.

#### **Group relations**

The company is a subsidiary of Aura Mare Oy, the parent company. Aura Mare Oy owns 100 shares and votes, which represents 100% of the company's shares and votes. Aura Mare Oy is based in Turku, Finland.

#### **Intangible assets**

Development expenditures amounting to €400,000 in the oil business has been entered into the books as intangible assets. The intangible assets are amortized as straight line depreciations during their useful life.

#### **Fixed asset utilities**

#### **Planned depreciations**

#### **Machinery and equipment**

The acquisition cost of machinery and equipment is amortized during their useful life with straight line depreciations every five years; they are not considered to have any residual value after this time.

#### **Buildings and structures**

The acquisition cost of buildings is amortized with 20-year straight line depreciations. The technical equipment in the buildings is amortized with 15-year straight line depreciations during its useful life.

Linnankatu 88  
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### Financial statement information as per the Limited Liability Companies Act

#### Changes in shareholders' equity

	<b>31.12.2020</b>	<b>31.12.2019</b>
Share capital at the beginning of the financial period	2 500,00	2 500,00
Change for financial period	0,00	0,00
Share capital at the end of the financial period	<u>2 500,00</u>	<u>2 500,00</u>
Invested unrestricted equity fund at the beginning of the financial period	115 387,38	115 387,38
Changes	0,00	0,00
Invested unrestricted equity fund at the end of the financial period	<u>115 387,38</u>	<u>115 387,38</u>
Profit (loss) from previous financial periods at the begin. of the financial period	-361 809,09	-361 723,62
Profit (loss) for financial period	48 914,68	-85,47
Profit (loss) from previous financial periods at the end of the financial period	<u>-312 894,41</u>	<u>-361 809,09</u>
<b>Total shareholders' equity</b>	<u><u>-195 007,03</u></u>	<u><u>-243 921,71</u></u>

#### Specification of distributable funds

Profit from previous financial periods	-487 408,94	-361 723,62
Invested unrestricted equity fund	115 387,38	115 387,38
Result for financial period	48 914,68	-125 685,32
Activated development expenditures, non-depreciated portion	<u>-280 000,00</u>	<u>-320 000,00</u>
<b>Total distributable assets</b>	<u><u>-603 106,88</u></u>	<u><u>-692 021,56</u></u>

#### Long-term credit

Long-term credit includes 309 807,00  
than in five years.

#### Guarantees given

for own debt	Amount of debt		Pledges
	31.12.2020	31.12.2020	31.12.2020
Loans from credit institutions	436 363,55	960 000,00	

#### Personnel

The company did not have any employees during the financial period.

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### Remainder of the financial statement appendices as per the Limited Liability Companies Act

#### Company's different share categories

Share class/series	Number
A	100

#### Calculation of shareholders' equity sufficiency

Company's negative shareholders' equity	<u>-195 007,03</u>
Subordinated loans	277 000,00
Depreciation difference in balance sheet	204 811,68
Tax liability included in depreciation difference	<u>-40 962,34</u>
Adjusted equity	245 842,31

#### Subordinated loans

	<b>31.12.2020</b>
Subordinated loan Aura Mare Oy	277 000,00

#### Principal terms and conditions of the loan

The debt does not accrue interest. The capital may be paid during the company's liquidation or bankruptcy process only at a lesser advantage than all other debts, taking into account all the debtor's debts and loans which are not subordinated loans commensurate with the Limited Liability Companies Act. However, the capital can be paid with the same advantages as other subordinated loans before the debtor's possible forthcoming dividend to be paid to the shareholders.

The capital may be paid otherwise, only if the amount of the company's unrestricted shareholders' equity and all the subordinated loans, at the time of payment, exceed the amount of the company's loss in the balance sheet in the financial statements for the last financial period or for a later financial period.

The company does not guarantee payment of the capital.

The term of the loan is 15 years. The debtor has the right to make repayments during the term of the loan, if the conditions are met.

The subordinated loans have equal rights to the company's finances.

All changes to the terms in the subordinated loan agreements must be made in writing.

#### Processing the result:

The company does not have any distributable funds. The company's result for the financial period is 48914,68 euros. The company's board proposes that the profit for the financial period be transferred to its profit/loss account and that no dividends be distributed.



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### **Information corresponding to the Annual Report**

#### **Significant events during the financial period and thereafter**

During the 2020 financial period, the parent company financed the company further with a loan amounting to €197,500. At the end of the financial period, the total amount of the loans granted by the parent company was €277,000 in subordinated loans.

The Covid pandemic and the subsequent plunge of the world market price of oil during the financial period made using used vegetable oil for fuel in ships economically unviable. The demand for used vegetable oil has, however, been rather stable and the price has remained at a sustainable level. Therefore the impacts of the pandemic on the company were rather minimal.

The demand for fish oil during the financial period remained at a good level, thanks to the feedstuff authorization obtained in 2019. All the produced oil was sold, even though the price did not begin to rise until the second half of the year. In addition, the company has succeeded in tripling its number of fish oil customers.

Overall, both profitability and turnover improved during the financial period.

#### **Projection for future economic development**

The market price for vegetable and fish oil continued to improve in the first part of the 2021 financial period, and owing to this, we expect that operations will become profitable in the 2021 financial period.

VG-Shipping Oy, the company's participating interest company, has launched the VG Marine EcoFuel project. The purpose of the project is to find a 100% carbon neutral energy source for operating ships. Bio-oil fuel is of paramount importance in this instance and the company is working closely with VG-Shipping Oy to develop bio-oil fuel for use with ships.

The investments will be completed at the beginning of the 2021 financial period, and the parent company will take care of financing as needed.

**DATE AND SIGNATURES**

Turku, the 28 day of September                      2021

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Jussi-Pekka Mälkiä

**FINANCIAL STATEMENT ENTRY**

A report of the completed audit was given on this day.

Turku, the 29 day of September                      2021

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Antero Korte, authorized public accountant

**List of accounting books and materials:**

Diary	Electronic and printed document
General ledger	Electronic and printed document
Sales ledger	Auxiliary account
Purchase ledger	Auxiliary account
Payroll accounting	Auxiliary account
Financial statement	Bound separately
Balance sheet specifications	Bound separately

	<b>Receipt category</b>	<b>Storage</b>
Receipts		
Osuuspankki	90	Printed document
Purchase invoices	20	Electronic document
Purchase invoice payments	30	Electronic document
Sales invoices	40	Electronic document
Sales receivable payments	50	Electronic document
Wages	60	Printed document
Fixed asset transactions	88	Electronic document
Memoranda	90	Printed document