

Pettinaroli Logistic A/S
Central Business Registration No
10100364
Mandal Allé 21
5500 Middelfart

Annual report 2015

The Annual General Meeting adopted the annual report on 06.05.2016

Chairman of the General Meeting

Name: Kim Svaneborg Pedersen

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Entity details

Entity

Pettinaroli Logistic A/S
Mandal Allé 21
5500 Middelfart

Central Business Registration No: 10100364

Founded: 21.11.2002

Registered in: Middelfart

Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Jørgen Pedersen, Chairman
Ugo Giovanni Pettinaroli
Kim Svaneborg Pedersen

Executive Board

Kim Svaneborg Pedersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
Postboks 10
5100 Odense C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Pettinaroli Logistic A/S for the financial year 01.01.2015 - 31.12.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Middelfart, 06.05.2016

Executive Board

Kim Svaneborg Pedersen

Board of Directors

Jørgen Pedersen
Chairman

Ugo Giovanni Pettinaroli

Kim Svaneborg Pedersen

Independent auditor's reports

To the owners of Pettinaroli Logistic A/S

Report on the financial statements

We have audited the financial statements of Pettinaroli Logistic A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Report on other legal and regulatory requirements

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Odense, 06.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Per Therkelsen

State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The company's principal activity comprises, like in previous years, business activities within property holding and rental of properties.

Development in activities and finances

The company's results and financial development came out as expected and are considered satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

The annual report of Pettinaroli Logistic A/S has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied for these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, property costs and external expenses.

Revenue

Revenue consists of rental income. Revenue is recognised net of VAT.

Accounting policies

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies etc.

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as equipment.

Other financial income

Other financial income comprises interest income, including interest income on payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Land and buildings as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Accounting policies

Buildings	50 years
Installations	15-20 years
Other plants	3-20 years

Property and equipment are written down to the lower of recoverable amount and carrying amount.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Cash

Cash comprises cash in hand and bank deposits.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Gross profit		337,162	341,700
Depreciation, amortisation and impairment losses		(174,187)	(173,614)
Operating profit/loss		162,975	168,086
Other financial income		0	3,628
Other financial expenses		(138,669)	(148,366)
Profit/loss from ordinary activities before tax		24,306	23,348
Tax on profit/loss from ordinary activities	1	(10,570)	(11,792)
Profit/loss for the year		13,736	11,556
Proposed distribution of profit/loss			
Retained earnings		13,736	11,556
		13,736	11,556

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Land and buildings		6,226,161	6,394,087
Other fixtures and fittings, tools and equipment		<u>104,022</u>	<u>110,283</u>
Property, plant and equipment	2	<u>6,330,183</u>	<u>6,504,370</u>
Fixed assets		<u>6,330,183</u>	<u>6,504,370</u>
Deferred tax assets		<u>78,595</u>	<u>89,165</u>
Receivables		<u>78,595</u>	<u>89,165</u>
Cash		<u>171</u>	<u>1,036</u>
Current assets		<u>78,766</u>	<u>90,201</u>
Assets		<u><u>6,408,949</u></u>	<u><u>6,594,571</u></u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital	3	3,710,000	3,710,000
Retained earnings		(304,838)	(318,574)
Equity		<u>3,405,162</u>	<u>3,391,426</u>
Mortgage debts		<u>2,342,546</u>	<u>2,546,905</u>
Non-current liabilities other than provisions	4	<u>2,342,546</u>	<u>2,546,905</u>
Current portion of long-term liabilities other than provisions	4	207,655	198,945
Bank loans		367,008	393,211
Other payables		<u>86,578</u>	<u>64,084</u>
Current liabilities other than provisions		<u>661,241</u>	<u>656,240</u>
Liabilities other than provisions		<u>3,003,787</u>	<u>3,203,145</u>
Equity and liabilities		<u><u>6,408,949</u></u>	<u><u>6,594,571</u></u>
Contingent liabilities	5		
Ownership	6		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	3,710,000	(318,574)	3,391,426
Profit/loss for the year	0	13,736	13,736
Equity end of year	3,710,000	(304,838)	3,405,162

Notes

	2015 DKK	2014 DKK
1. Tax on ordinary profit/loss for the year		
Change in deferred tax for the year	5,712	11,792
Effect of changed tax rates	4,858	0
	10,570	11,792
2. Property, plant and equipment		
Cost beginning of year	8,202,914	125,210
Cost end of year	8,202,914	125,210
Depreciation and impairment losses beginning of the year	(1,808,827)	(14,927)
Depreciation for the year	(167,926)	(6,261)
Depreciation and impairment losses end of the year	(1,976,753)	(21,188)
Carrying amount end of year	6,226,161	104,022
	Land and buildings DKK	Other fix- tures and fittings, tools and equipment DKK
3. Contributed capital		
A-share	Number	Par value DKK
	3,710	1,000.00
	3,710	3,710,000

The share capital has not been changed in the past 5 years.

	Instalments within 12 months 2014 DKK	Instalments within 12 months 2015 DKK	Instalments beyond 12 months 2015 DKK	Outstanding after 5 years 2015 DKK
4. Long-term liabilities other than provisions				
Mortgage debts	198,945	207,655	2,342,546	1,387,719
	198,945	207,655	2,342,546	1,387,719

Notes

5. Contingent liabilities

Properties, for which the carrying amount at 31 December 2015 was DKK 6,226k have been provided as security for debt to mortgage credit institutes of DKK 2,550k.

6. Ownership

The following shareholders are recorded in the company's register of shareholders as owning more than 5% of the votes or the share capital:

Fratelli Pettinaroli S.p.A.

Via Pianelli 38

28017 S. Maurizio d'Opaglio (NO) Italy