

OOCL (DENMARK) A/S

Store Torv 3, 3
8000 Aarhus C

Annual report
1 January 2015 - 31 December 2015

**The annual report has been presented and
approved on the company's general meeting the**

30/05/2016

finn nielsen

Chairman of general meeting

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Company information

Reporting company OOCL (DENMARK) A/S
Store Torv 3, 3
8000 Aarhus C

Phone number: 86762880

CVR-nr: 19020703

Reporting period: 01/01/2015 - 31/12/2015

Statement by Management

The Executive and Supervisory Boards have today considered and adopted the Annual Report of OOCL (Denmark) A/S for the financial year 1 January - 31 December 2015.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. We consider the accounting policies applied appropriate and the estimates made reasonable. Furthermore, we consider the overall annual report presentation true and fair. Therefore, in our opinion the Annual Report gives a true and fair view of the financial position and the results of operations of the Company.

In our opinion, Management's Review includes a true and fair account in accordance with the Danish Financial Statements Act.

The company has deselected external audit for the accounting year 2015, as it is considered that the company meets the criteria for deselection

Aarhus, the 09/05/2016

Executive board

Jan Christof Schmahl

Board of directors

Finn Nielsen

Jan Christof Schmahl

Kwok Wah Fung
Chairman

Management's Review

Main activity

The purpose of the Company is to conduct business in Denmark as Liner Shipping Agent and Freight forwarder as well as activities related hereto.

The Company manages the Danish shipping agency for Orient Overseas Container Line Limited and OOCL (Europe) limited.

Development in the financial year

The loss for the year of DKK 1.154.881 is considered unsatisfactory by Management.

The Company has lost more than half its share capital. The Company expects to restore the capital through capital contribution or restructuring of the Company.

To ensure sufficient liquid resources for the next 12 months the Company has received a Letter of Support from its Ultimate Parent Company, Orient Overseas (International) Limited with the following wording:

"We confirm that it is our present intention to provide sufficient financial resources to your company for a period of at least 12 months from the date of signing each company's 2015 financial statements to enable your company both to meet liabilities as they fall due, and to carry on your business without a significant curtailment of operations."

The expected development

Based on expectations of ocean freight rates at a continuous low level the Company expects a loss for the next year.

Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class B. The accounting policies applied remain unchanged from previous years.

Recognition and measurement

The financial statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably. Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Leases

Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Income Statement

Gross profit/Loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue is recognised in the income statement provided that delivery and transfer of risk have been made to the purchaser by year end. Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Administrative expenses

Administrative expenses comprise remuneration of Management, administrative staff, office expenses, advertising and marketing expenses, operation of motor vehicles, depreciation, etc.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprises, including gains and losses on the sale of property plant and equipment as well as financial fixed assets.

Financial income and expenses

Financial income and expenses comprise interest and realised and unrealised exchange adjustments.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity. The tax recognised in the income statement is classified as tax on ordinary activities and tax on extraordinary items, respectively. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Balance sheet*Property, plant and equipment*

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment: 3-10 years

Assets costing less than DKK 12,300 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and financial fixed assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Income statement 1 Jan 2015 - 31 Dec 2015

	Disclosure	2015 kr.	2014 kr.
Gross profit (loss)		5,264,572	5,233,310
Distribution costs		-315,176	-359,501
Administrative expenses		-6,096,168	-5,998,862
Other operating income		0	28,000
Profit (loss) from ordinary operating activities		-1,146,772	-1,097,053
Other finance income		7	121
Other finance expenses		-8,116	-10,498
Profit (loss) from ordinary activities before tax		-1,154,881	-1,107,430
Tax expense		0	0
Profit (loss)		-1,154,881	-1,107,430
Proposed distribution of profit (loss)			
Retained earnings		-1,154,881	-1,107,430
Gross		-1,154,881	-1,107,430

Balance sheet 31 December 2015

Assets

	Disclosure	2015 kr.	2014 kr.
Fixtures, fittings, tools and equipment		56,430	54,797
Property, plant and equipment	1	56,430	54,797
Total non-current assets		56,430	54,797
Other receivables		227,944	213,563
Deferred income assets		351,873	268,405
Receivables		579,817	481,968
Cash and cash equivalents		304,820	286,151
Current assets		884,637	768,119
Total assets		941,067	822,916

Balance sheet 31 December 2015

Liabilities and equity

	Disclosure	2015 kr.	2014 kr.
Contributed capital	2		
Paid contributed capital		500,000	500,000
Retained earnings		-7,310,251	-6,155,370
Total equity		-6,810,251	-5,655,370
Trade payables		210,631	44,987
Payables to group enterprises		6,202,185	5,116,375
Other payables, including tax payables, liabilities other than provisions		1,338,502	1,316,924
Short-term liabilities other than provisions, gross		7,751,318	6,478,286
Liabilities other than provisions, gross		7,751,318	6,478,286
Liabilities and equity, gross		941,067	822,916

Statement of changes in equity 1 Jan 2015 - 31 Dec 2015

	Contributed capital	Retained earnings	Total
	kr.	kr.	kr.
Equity, beginning balance	500,000	-6,155,370	-5,655,370
Profit (loss)		-1,154,881	-1,154,881
Equity, ending balance	500,000	-7,310,251	-6,810,251

Disclosures

1. Property, plant and equipment

	Fixtures, fittings, tools and equipment kr.
Cost, beginning of year	767.949
Additions for the year	35.781
Disposals for the year	-33.623
Cost, end of year	770.107
Depreciation, beginning of year	-713.152
Depreciation for the year	-34.148
Depreciation of disposals for the year	33.623
Depreciation, end of year	-713.677
Carrying value, end of year	56.430

2. Contributed capital

Share capital consists of 1.000 shares of 500 kr. Shares are not divided into classes.

There have been no changes in the share capital during the last 5 years.

3. Disclosure of contingent liabilities

Rental and lease obligations under operating leases.

Total future lease payments.

	kr.	kr.
Rental and lease within 1 year	390.939	367.248
Rental and lease between 1 and 5 years	263.113	66.120
	654.052	433.368

4. Disclosure of ownership

Ownership

The company has registered the following shareholders holding more than 5% of the voting rights or nominal value:

OOCL (Europe) Limited, England

Group relations

Orient Overseas (International) Limited, incorporated in Bermuda and listed on the Stock Exchange of Hong Kong (Stock code 316) , is the parent company where OOCL (Denmark) A/S is subsidiary and where the consolidated report is prepared.

The consolidated accounts can be obtained on
www.ooilgroup.com

5. Disclosure of deferred tax assets and liabilities

The company has a deferred tax asset of DKK1,860,805. This is not recognised in the balance sheet.