

MSC Scandinavia Holding A/S
Central Business Registration No
19950875
Orient Plads 1
2150 Nordhavn

Annual report 2015

The Annual General Meeting adopted the annual report on 10.05.2016

Chairman of the General Meeting

Name: Maurizio Aponte

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Accounting policies	9
Consolidated income statement for 2015	15
Consolidated balance sheet at 31.12.2015	16
Consolidated statement of changes in equity for 2015	18
Consolidated cash flow statement for 2015	19
Notes to consolidated financial statements	20
Parent income statement for 2015	24
Parent balance sheet at 31.12.2015	25
Parent statement of changes in equity for 2015	27
Notes to parent financial statements	28

Entity details

Entity

MSC Scandinavia Holding A/S
Orient Plads 1
2150 Nordhavn

Central Business Registration No: 19950875
Registered in: Copenhagen
Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Maurizio Aponte, Chairman
Claudio Bozzo
Lawrence Matthews

Executive Board

Lars Funding

Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
0900 Copenhagen 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 MSC Scandinavia Holding 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 consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2015 and of the results of their operations and the Group's cash flows 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.

Copenhagen, 10.05.2016

Executive Board

Lars Funding

Board of Directors

Maurizio Aponte
Chairman

Claudio Bozzo

Lawrence Matthews

Independent auditor's reports

To the owner of MSC Scandinavia Holding A/S Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of MSC Scandinavia Holding 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 for the Group as well as for the Parent and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2015, and of the results of their operations and the Group's cash flows for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

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 consolidated financial statements and parent financial statement.

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

Copenhagen, 10.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab

Anders Kreiner
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	2015	2014	2013	2012	2011
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial high-lights					
Key figures					
Revenue	7.033.004	6.322.679	5.871.418	6.154.792	5.869.063
Gross profit/loss	335.869	319.269	277.661	270.597	268.394
Operating profit/loss	111.493	110.665	71.018	55.681	68.300
Net financials	24.625	(8.467)	(19.654)	2.619	(1.982)
Profit/loss for the year	102.914	77.591	38.870	42.624	51.163
Total assets	783.040	641.415	620.087	581.702	642.453
Investments in property, plant and equipment	7.436	7.870	7.417	8.115	21.164
Equity	101.029	57.473	81.703	84.840	93.023
Ratios					
Gross margin (%)	4,8	5,0	4,7	4,4	4,6
Return on equity (%)	129,9	111,5	46,7	47,9	41,8
Equity ratio (%)	12,9	9,0	13,2	14,6	14,5

Management commentary

Primary activities

The Group's core activities mainly include sea freight and shipping agency services.

The Group represents the container activities of Mediterranean Shipping Company S.A. in Scandinavia, the Baltic countries, Russia, the Balkans as well as Eastern and Central Europe. The Group's headquarters are located in Copenhagen.

Development in activities and finances

The Group

In general, the Group has been affected by the strong competition. Taking the present market conditions into consideration, the performance for 2015 is considered very satisfactory.

Parent

The Group gradually has started to streamline accounting process by moving to direct accounting with principal. As a result, parent has recognized drop in both turnover and cost of sales with marginal impact on profit before tax. The Board of Directors considers the performance for the year very satisfactory.

Subsidiaries

In general, the development in the subsidiaries is considered acceptable even though a few countries did not meet the expectations.

Performance

The year ended with anticipated positive results. Profit for the year is DKK 136,118 thousand before tax and DKK 102,914 thousand after tax. Equity amounts to DKK 101,029 thousand after recognition of the exchange rate adjustment of investments in subsidiaries of DKK 9,358 thousand (loss). The exchange rate adjustment mainly relates to the volatile RUB exchange rate in 2015.

Outlook

Positive results are also expected in 2016.

Statutory corporate social responsibility report according to section 99a of the Danish Financial Statements Act

MSC Scandinavia Holding A/S complies with all statutory requirements for social considerations, environmental issues, climate changes, human rights and fight against corruption, but the Group has no separate CSR policies for which reason this management commentary does not give a separate account of our involvement in corporate social responsibility.

Management commentary

Report on efforts made in relation to the underrepresented gender

It is the policy of MSC Scandinavia Holding A/S to secure the best professional competence possible at all levels in the Company. The members of Management are solely appointed based on their qualifications and not their gender. By doing so equal opportunities for both genders are secured if the candidates applying for the management positions possess the professional skills required.

Target figures for the Board of Directors

At the time of presentation of the annual report, the Board of Directors at MSC Scandinavia Holding A/S has no female members.

Based on a specific assessment of the Company's situation, including the competences to be present at the Board of Directors, the target is to identify at least one female candidate for the Board of Directors at MSC Scandinavia Holding A/S before 2017. This is considered an achievable and ambitious target figure.

	<u>Currency</u>	<u>Share- capital</u>	<u>Share- holding %</u>
Group chart			
MSC Norway AS, Norway	NOK	100.000	100
OY MSC Finland AB, Finland	EUR	8.409	100
MSC Sweden AB, Sweden	SEK	200.000	100
MSC Eesti AS, Estonia	EUR	25.564	100
MSC Latvia SIA, Latvia	EUR	7.114	100
MSC Central Asia LLC, Kazakhstan (owned by MSC Latvia SIA)	KZT	78.000	100
MSC Lithuania UAB, Lithuania	EUR	14.481	100
MSC Poland Sp.Z.o.o., Poland	PLN	50.000	100
MSC Hungary Kft., Hungary	HUF	3.000.000	100
MSC Koper D.O.O Ltd., Slovenia	EUR	8.763	100
MSC Croatia Ltd, Croatia	HRK	20.000	100
MSC Belarus private enterprise, Belarus	BYR	2.552.520	100
MSC BH D.o.o., Bosnia-Herzegovina	BAM	2.000	100
MSC Denmark A/S, Denmark	DKK	500.000	100
Eastern Europe Holding ApS, Denmark (owned 99% by MSC Scandinavia holding A/S and 1% by MSC Demark A/S)	DKK	125.000	100
MSC Rus LLC, Russia (owned by Eastern Europe Holding ApS)	RUB	241.000	100
MSC Uzbekistan LLC, Uzbekistan	UZS	1.922.000	100
MSC Eastern Europe SIA, Latvia	EUR	2.845	100
MSC SH SIA, Latvia	EUR	3.000	100

Management commentary

Particular risks

Operating and price risk

To a certain extent, the Group depends on the development in ocean freight rates on the global market.

Interest rate exposure

Reasonable changes in the interest level will have no material impact on the Group. Consequently, no agreements are made on hedging of interest rate exposure.

Currency exposure

Foreign activities lead to the fact that results, cash flows and equity are affected by the exchange rate movements in a number of foreign currencies. Exchange rate adjustments of investments in subsidiaries are recognised directly on equity. To a wide extent acquisition and sale of shipping services, take place in the same foreign currency.

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

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year. However, the comparative figures for 2014 have been restated in the parent financial statements and consolidated financial statements. The restatement has no effect on net income and equity.

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.

Consolidated financial statements

The consolidated financial statements comprise MSC Scandinavia Holding A/S (parent) and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Accounting policies

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises, provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet under deferred income, and they are recognised in the income statement when such adverse development is realised.

Profits or losses from divestment of equity investments

Profits or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment or winding-up, inclusive of non-amortised goodwill and estimated divestment or winding-up expenses.

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. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Revenue

Revenue is recognised in the income statement if delivery has taken place to the Group's cooperators before year-end and if the income can be calculated reliably. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Cost of sales

Payment to shipping companies and other direct costs comprise direct and indirect costs incurred to achieve revenue.

Other external expenses

Other external expenses include expenses relating to the Group's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant 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 property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on payables and transactions in foreign currencies, amortisation of financial liabilities 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.

Accounting policies

The Parent is jointly taxed with all of its Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with refund concerning tax losses).

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise acquired intellectual property rights, software etc.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Software is amortised over five years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

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. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

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:

Buildings	50 years
Other fixtures and fittings, tools and equipment	3-8 years

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

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity are measured at DKK 0, and any receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity value exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Accounting policies

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method under equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less write-downs for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

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.

Deferred tax relating to re-taxation of previously deducted losses of foreign subsidiaries is recognised based on a specific assessment of the purpose of the individual subsidiary.

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.

Accounting policies

Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.

Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Gross margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	The Entity's operating gearing.
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the Entity.

Consolidated income statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Revenue	1	7.033.004	6.322.679
Cost of sales		(6.632.946)	(5.943.981)
Other external expenses	4	<u>(64.189)</u>	<u>(59.429)</u>
Gross profit/loss		335.869	319.269
Staff costs	2	(216.211)	(200.037)
Depreciation, amortisation and impairment losses	3	<u>(8.165)</u>	<u>(8.567)</u>
Operating profit/loss		111.493	110.665
Other financial income	5	25.067	2.125
Other financial expenses	6	<u>(442)</u>	<u>(10.592)</u>
Profit/loss from ordinary activities before tax		136.118	102.198
Tax on profit/loss from ordinary activities	7	<u>(33.204)</u>	<u>(24.607)</u>
Profit/loss for the year		<u>102.914</u>	<u>77.591</u>
Proposed distribution of profit/loss			
Dividend for the financial year		40.000	50.000
Retained earnings		<u>62.914</u>	<u>27.591</u>
		<u>102.914</u>	<u>77.591</u>

Consolidated balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Acquired intangible assets		5.592	195
Intangible assets	8	<u>5.592</u>	<u>195</u>
Land and buildings		47.800	53.154
Other fixtures and fittings, tools and equipment		12.567	11.952
Property, plant and equipment	9	<u>60.367</u>	<u>65.106</u>
Other receivables		628	598
Fixed asset investments	10	<u>628</u>	<u>598</u>
Fixed assets		<u>66.587</u>	<u>65.899</u>
Trade receivables		618.576	471.134
Deferred tax assets	12	3.839	4.879
Other short-term receivables		28.052	22.856
Income tax receivable		2.094	8.019
Prepayments	11	11.850	12.702
Receivables		<u>664.411</u>	<u>519.590</u>
Cash		<u>52.042</u>	<u>55.926</u>
Current assets		<u>716.453</u>	<u>575.516</u>
Assets		<u>783.040</u>	<u>641.415</u>

Consolidated balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital		5.000	5.000
Retained earnings		56.029	2.473
Proposed dividend		40.000	50.000
Equity		<u>101.029</u>	<u>57.473</u>
Provisions for deferred tax	12	4.846	3.776
Provisions		<u>4.846</u>	<u>3.776</u>
Mortgage debts		0	29.125
Other payables		812	436
Non-current liabilities other than provisions		<u>812</u>	<u>29.561</u>
Trade payables		265.228	286.484
Payables to group enterprises		362.493	228.496
Income tax payable		15.925	7.886
Other payables		32.707	27.739
Current liabilities other than provisions		<u>676.353</u>	<u>550.605</u>
Liabilities other than provisions		<u>677.165</u>	<u>580.166</u>
Equity and liabilities		<u>783.040</u>	<u>641.415</u>
Contingent liabilities	14		
Consolidation	15		

Consolidated statement of changes in equity for 2015

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	5.000	2.473	50.000	57.473
Ordinary dividend paid	0	0	(50.000)	(50.000)
Exchange rate adjustments	0	(9.358)	0	(9.358)
Profit/loss for the year	0	62.914	40.000	102.914
Equity end of year	5.000	56.029	40.000	101.029

Consolidated cash flow statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Operating profit/loss		111.493	110.665
Amortisation, depreciation and impairment losses		8.165	8.567
Working capital changes	13	<u>(37.729)</u>	<u>(11.936)</u>
Cash flow from ordinary operating activities		81.929	107.296
Financial income received		25.067	2.125
Financial income paid		(442)	(10.592)
Income taxes refunded/(paid)		<u>(17.003)</u>	<u>(12.351)</u>
Cash flows from operating activities		89.551	86.478
Acquisition etc of intangible assets		(6.229)	0
Sale of intangible assets		156	0
Acquisition etc of property, plant and equipment		(7.436)	(7.870)
Sale of property, plant and equipment		1.003	1.351
Acquisition of fixed asset investments		(51)	(162)
Sale of fixed asset investments		<u>22</u>	<u>0</u>
Cash flows from investing activities		(12.535)	(6.681)
Loans raised		477	0
Instalments on loans etc		(31.377)	(79)
Dividend paid		<u>(50.000)</u>	<u>(83.771)</u>
Cash flows from financing activities		(80.900)	(83.850)
Increase/decrease in cash and cash equivalents		(3.884)	(4.053)
Cash and cash equivalents beginning of year		<u>55.926</u>	<u>59.979</u>
Cash and cash equivalents end of year		<u>52.042</u>	<u>55.926</u>

Notes to consolidated financial statements

1. Revenue

The Group carries on freight activities on the global market. There is neither any geographical nor any business segment reporting, as the customer's specific demand for destinations on shipping services is constantly changing.

	2015 DKK'000	2014 DKK'000
2. Staff costs		
Wages and salaries	180.737	166.219
Other social security costs	35.474	33.818
	216.211	200.037
Average number of employees	756	713

	2015 DKK'000	2014 DKK'000
3. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	194	506
Impairment losses on intangible assets	149	960
Depreciation of property, plant and equipment	8.321	7.783
Profit/loss from sale of intangible assets and property, plant and equipment	(499)	(682)
	8.165	8.567

	2015 DKK'000	2014 DKK'000
4. Fees to the auditor appointed by the Annual General Meeting		
Statutory audit services	1.480	1.715
Tax services	368	230
Other services	49	605
	1.897	2.550

	2015 DKK'000	2014 DKK'000
5. Other financial income		
Interest income	831	2.125
Exchange rate adjustments	24.236	0
	25.067	2.125

Notes to consolidated financial statements

	2015	2014
	DKK'000	DKK'000
6. Other financial expenses		
Interest expenses	442	1.849
Exchange rate adjustments	0	8.743
	442	10.592
	2015	2014
	DKK'000	DKK'000
7. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	30.961	25.028
Change in deferred tax for the year	1.924	(376)
Adjustment concerning previous years	319	(45)
	33.204	24.607
		Acquired
		intangible
		assets
		DKK'000
8. Intangible assets		
Cost beginning of year		5.771
Exchange rate adjustments		(475)
Additions		6.229
Disposals		(157)
Cost end of year		11.368
Amortisation and impairment losses beginning of year		(5.576)
Exchange rate adjustments		(7)
Amortisation for the year		(194)
Reversal regarding disposals		1
Amortisation and impairment losses end of year		(5.776)
Carrying amount end of year		5.592

Notes to consolidated financial statements

	Land and buildings DKK'000	Other fix- tures and fittings, tools and equipment DKK'000
9. Property, plant and equipment		
Cost beginning of year	63.412	35.473
Exchange rate adjustments	(4.121)	(698)
Additions	224	7.212
Disposals	0	(3.102)
Cost end of year	<u>59.515</u>	<u>38.885</u>
Depreciation and impairment losses beginning of the year	(10.258)	(23.521)
Exchange rate adjustments	958	511
Depreciation for the year	(2.415)	(5.906)
Reversal regarding disposals	0	2.598
Depreciation and impairment losses end of the year	<u>(11.715)</u>	<u>(26.318)</u>
Carrying amount end of year	<u>47.800</u>	<u>12.567</u>

The Group has no fixed assets held under finance leases.

	Other recei- vables DKK'000
10. Fixed asset investments	
Cost beginning of year	598
Exchange rate adjustments	1
Additions	51
Disposals	(22)
Cost end of year	<u>628</u>
Carrying amount end of year	<u>628</u>

11. Prepayments

Prepayments comprise prepaid expenses.

Notes to consolidated financial statements

12. Deferred tax

Deferred tax is incumbent on property, plant and equipment, trade receivables, tax losses as well as distributable reserves in group enterprises.

	2015 DKK'000	2014 DKK'000
13. Change in working capital		
Increase/decrease in receivables	(151.780)	(81.202)
Increase/decrease in trade payables etc	<u>114.051</u>	<u>69.266</u>
	<u>(37.729)</u>	<u>(11.936)</u>

14. Contingent liabilities

Rental commitments

The Group has incurred a lease at a total rental commitment of DKK 13,652 thousand.

Guarantee commitments

The Group has provided bank guarantees for the rental commitments of DKK 325 thousand.

Other commitments

The Group has guaranteed the mortgage debt. The guarantee is maximised at DKK 853 thousand.

15. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

United Agencies Limited S.A., Switzerland

Parent income statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Revenue		49.854	35.326
Other external expenses		<u>(23.357)</u>	<u>(20.104)</u>
Gross profit/loss		26.497	15.222
Staff costs	1	(17.333)	(13.893)
Depreciation, amortisation and impairment losses	2	<u>(1.703)</u>	<u>(2.886)</u>
Operating profit/loss		7.461	(1.557)
Income from investments in group enterprises		100.048	88.210
Other financial income	3	2.915	3.031
Other financial expenses	4	<u>(5.708)</u>	<u>(14.045)</u>
Profit/loss from ordinary activities before tax		104.716	75.639
Tax on profit/loss from ordinary activities	5	<u>(1.802)</u>	<u>1.952</u>
Profit/loss for the year		<u>102.914</u>	<u>77.591</u>
Proposed distribution of profit/loss			
Dividend for the financial year		40.000	50.000
Extraordinary dividend		0	34.300
Reserve for net revaluation according to the equity method		29.406	2.350
Retained earnings		<u>33.508</u>	<u>(9.059)</u>
		<u>102.914</u>	<u>77.591</u>

Parent balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Acquired intangible assets		0	0
Intangible assets	6	<u>0</u>	<u>0</u>
Other fixtures and fittings, tools and equipment		1.923	2.604
Property, plant and equipment	7	<u>1.923</u>	<u>2.604</u>
Investments in group enterprises		41.312	9.017
Receivables from group enterprises		52.800	40.022
Other receivables		81	81
Fixed asset investments	8	<u>94.193</u>	<u>49.120</u>
Fixed assets		<u>96.116</u>	<u>51.724</u>
Receivables from group enterprises		143.108	226.142
Deferred tax assets	9	0	2.040
Other short-term receivables		443	35
Income tax receivable		0	2.998
Prepayments	10	1.229	1.140
Receivables		<u>144.780</u>	<u>232.355</u>
Cash		<u>1.296</u>	<u>30.834</u>
Current assets		<u>146.076</u>	<u>263.189</u>
Assets		<u>242.192</u>	<u>314.913</u>

Parent balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital	11	5.000	5.000
Reserve for net revaluation according to the equity method		31.756	2.350
Retained earnings		24.273	123
Proposed dividend		40.000	50.000
Equity		<u>101.029</u>	<u>57.473</u>
Provisions for deferred tax	9	232	0
Provisions		<u>232</u>	<u>0</u>
Trade payables		1.669	2.540
Payables to group enterprises		136.542	249.408
Income tax payable		979	1
Other payables		1.741	5.491
Current liabilities other than provisions		<u>140.931</u>	<u>257.440</u>
Liabilities other than provisions		<u>140.931</u>	<u>257.440</u>
Equity and liabilities		<u><u>242.192</u></u>	<u><u>314.913</u></u>
Contingent liabilities	12		
Ownership	13		

Parent statement of changes in equity for 2015

	Contributed capital DKK'000	Reserve for net revalua- tion accor- ding to the equity me- thod DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000
Equity beginning of year	5.000	2.350	123	50.000
Ordinary dividend paid	0	0	0	(50.000)
Exchange rate adjustments	0	0	(9.358)	0
Profit/loss for the year	0	29.406	33.508	40.000
Equity end of year	<u>5.000</u>	<u>31.756</u>	<u>24.273</u>	<u>40.000</u>
				<u>Total DKK'000</u>
Equity beginning of year				57.473
Ordinary dividend paid				(50.000)
Exchange rate adjustments				(9.358)
Profit/loss for the year				102.914
Equity end of year				<u>101.029</u>

There have been no changes in the share capital in the past four financial years.

Notes to parent financial statements

	2015	2014
	DKK'000	DKK'000
1. Staff costs		
Wages and salaries	13.992	10.815
Pension costs	1.534	1.393
Other social security costs	1.807	1.685
	17.333	13.893
Number of employees at balance sheet date	21	26

Remuneration for the Executive Board is not disclosed separately according to section 98b(3) of the Danish Financial Statement Act. The Board of Directors has not been remunerated.

	2015	2014
	DKK'000	DKK'000
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	0	489
Impairment losses on intangible assets	0	960
Depreciation of property, plant and equipment	1.703	1.437
	1.703	2.886

	2015	2014
	DKK'000	DKK'000
3. Other financial income		
Financial income arising from group enterprises	2.456	1.156
Interest income	459	1.875
	2.915	3.031

	2015	2014
	DKK'000	DKK'000
4. Other financial expenses		
Financial expenses from group enterprises	0	1
Interest expenses	29	4
Exchange rate adjustments	5.246	13.740
Other financial expenses	433	300
	5.708	14.045

Notes to parent financial statements

	2015	2014
	DKK'000	DKK'000
5. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	203	(542)
Change in deferred tax for the year	1.146	(1.410)
Adjustment concerning previous years	407	0
Effect of changed tax rates	46	0
	1.802	(1.952)
		Acquired intangible assets DKK'000
6. Intangible assets		
Cost beginning of year		5.312
Cost end of year		5.312
Amortisation and impairment losses beginning of year		(5.312)
Amortisation and impairment losses end of year		(5.312)
Carrying amount end of year		0
		Other fix- tures and fittings, tools and equipment DKK'000
7. Property, plant and equipment		
Cost beginning of year		7.467
Additions		1.022
Cost end of year		8.489
Depreciation and impairment losses beginning of the year		(4.863)
Depreciation for the year		(1.703)
Depreciation and impairment losses end of the year		(6.566)
Carrying amount end of year		1.923

Notes to parent financial statements

	Investments in group enter- prises DKK'000	Receivables from group enterprises DKK'000	Other recei- vables DKK'000
8. Fixed asset investments			
Cost beginning of year	6.667	45.198	81
Transfer to and from other items	2.889	0	0
Additions	0	16.626	0
Disposals	0	(5.263)	0
Cost end of year	9.556	56.561	81
Revaluations beginning of year	2.350	(908)	0
Exchange rate adjustments	(9.358)	694	0
Share of profit/loss for the year	100.048	0	0
Dividend	(58.508)	0	0
Other adjustments	(2.776)	0	0
Reversal regarding disposals	0	228	0
Revaluations end of year	31.756	14	0
Impairment losses beginning of year	0	(4.268)	0
Impairment losses for the year	0	493	0
Impairment losses end of year	0	(3.775)	0
Carrying amount end of year	41.312	52.800	81

9. Deferred tax

Deferred tax is incumbent on property, plant and equipment and investments in group enterprises.

10. Prepayments

Prepayments comprise prepaid expenses.

	Number	Par value DKK'000	Nominal value DKK'000
11. Contributed capital			
Ordinary shares	5.000	1	5.000
	5.000		5.000

12. Contingent liabilities

Guarantee commitments

The Parent has provided bank guarantees for the rental commitments of DKK 325 thousand. The Parent has issued letters of indemnity regarding the subsidiaries in Sweden, Norway and Finland.

Notes to parent financial statements

Joint taxation

The Company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 01.07.2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

13. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

United Agencies Limited S.A., Switzerland