

Wilson Denmark Holding A/S

**Oliefabriksvej 29 - 43
2770 Kastrup
CVR no. 21 27 42 40**

Annual Report for 2016

Adopted at the Annual General
Meeting on 30 May 2017

Chairman

Thomas Hansen

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Statement by Management on the Annual Report

The supervisory and executive boards have today discussed and approved the annual report of Wilson Denmark Holding A/S for the financial year 1 January - 31 December 2016.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2016 and of the results of the company's operations for the financial year 1 January - 31 December 2016.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the Annual General Meeting.

Kastrup, 30 May 2017

Executive Board

Gitte Hjortflod

Board of Directors

Matthias Hansen
Chairman

Gunnar Kind

Thomas Hansen

Independent Auditor's Report

To the shareholder of Wilson Denmark Holding A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Wilson Denmark Holding A/S for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet and notes, including a summary of significant accounting policies ("Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Independent Auditor's Report

Management's responsibilities 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.

In preparing the Financial Statements, Management 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 in preparing the Financial Statements unless Management 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 and the additional requirements applicable in Denmark 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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 30 May 2017

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Bo Schou-Jacobsen
State Authorised Public Accountant

Morten Jørgensen
State Authorised Public Accountant

Company Details

The Company

Wilson Denmark Holding A/S
Oliefabriksvej 29 - 43
2770 Kastrup

CVR no.: 21 27 42 40
Reporting period: 1 January - 31 December
Domicile: Tårnby

Board of Directors

Matthias Hansen, chairman
Gunnar Kind
Thomas Hansen

Executive Board

Gitte Hjortflod

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Main activity

Wilson Denmark Holdings main activity is to invest in Group companies within the Geodis Wilson Group.

Development in the year

The Company's income statement for the year ended 31 December shows a profit of DKK 10.816.707, and the balance sheet at 31 December 2016 shows equity of DKK 133.595.596.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Accounting Policies

The annual report of Wilson Denmark Holding A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2016 is presented in DKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of SNCF, 2, place aux Etoiles 93633 La Plaine ST Denis Cedex CS 70001, the Company has not prepared consolidated financial statements.

Basis of recognition and measurement

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 and impairment losses.

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.

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

Foreign currency translation

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.

Accounting Policies

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

Other external expenses

Other external expenses comprise expenses relating to administration of the Company.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, price adjustment of securities as well as extra payments and repayment under the onaccount taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in 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 Company is jointly taxed with the subsidiary Geodis Wilson Denmark A/S. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Gains or losses on sale of subsidiaries are recognised in the income statement under 'other operating income/expenses' at the time of sale and are made up as the difference between the selling price less costs to sell and the carrying amount at the time of sale.

Impairment of fixed assets

The carrying amounts of investments in subsidiaries are reviewed on an annual basis to determine whether there is any indication of impairment.

Accounting Policies

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. This impairment test is performed on an annual basis irrespective of any indication of impairment.

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 recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Income tax and deferred tax

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payment and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes 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 within the same legal tax entity.

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. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Liabilities

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

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Other external expenses		-98.515	-137.500
Gross profit		-98.515	-137.500
Income from investments in subsidiaries	2	11.178.128	47.022.773
Financial income	3	149.672	180.505
Financial costs	4	-412.578	-124.771
Profit/loss before tax		10.816.707	46.941.007
Tax on profit/loss for the year		0	0
Net profit/loss for the year		10.816.707	46.941.007
 <i>Distribution of profit</i>			
Proposed distribution of profit			
Extraordinary dividend for the year		165.568.550	0
Retained earnings		-154.751.843	46.941.007
		10.816.707	46.941.007

Balance Sheet 31 December

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Assets			
Investments in subsidiaries	5	<u>235.811.401</u>	<u>228.429.502</u>
Fixed asset investments		<u>235.811.401</u>	<u>228.429.502</u>
Fixed assets total		<u>235.811.401</u>	<u>228.429.502</u>
Receivables from group enterprises		10.127.801	12.214.145
Corporation tax		<u>228.372</u>	<u>0</u>
Receivables		<u>10.356.173</u>	<u>12.214.145</u>
Cash at bank and in hand		<u>12.273.444</u>	<u>53.349.198</u>
Current assets total		<u>22.629.617</u>	<u>65.563.343</u>
Assets total		<u>258.441.018</u>	<u>293.992.845</u>

Balance Sheet 31 December

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Liabilities and equity			
Share capital		40.000.000	40.000.000
Retained earnings		93.595.596	248.347.439
Equity	6	<u>133.595.596</u>	<u>288.347.439</u>
Payables to group enterprises		124.709.422	5.509.406
Other payables		136.000	136.000
Short-term debt		<u>124.845.422</u>	<u>5.645.406</u>
Debt total		<u>124.845.422</u>	<u>5.645.406</u>
Liabilities and equity total		<u>258.441.018</u>	<u>293.992.845</u>
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Notes

1 Going concern and financing

At 31 December 2016, Wilson Denmark Holding A/S has assets amounting to MDKK 258, mainly investments in subsidiaries. Liabilities comprise mainly group internal debt of MDKK 125 and equity amounting to MDKK 133.

In previous years, the Company has received significant dividends from the subsidiary, Geodis Wilson Hong Kong Ltd. Based on the earnings in Geodis Wilson Hong Kong Ltd., Management of Wilson Denmark Holding A/S expect that future dividends from the subsidiaries will enable the Company to meet its financial obligations. Reference is made to note 4 for information regarding net profit and equity of the subsidiaries.

Further, the Company has received a Letter of Support from the immediate parent company, Geodis Wilson Holding AB.

On that basis, Company Management has assessed that there is no significant uncertainty regarding the Company's going concern and future financing.

	<u>2016</u> DKK	<u>2015</u> DKK
2 Income from investments in subsidiaries		
Impairment of investments in group enterprises	7.381.899	-1.430.372
Dividend	<u>3.796.229</u>	<u>48.453.145</u>
	<u>11.178.128</u>	<u>47.022.773</u>
3 Financial income		
Interest received from subsidiaries	<u>149.672</u>	<u>180.505</u>
	<u>149.672</u>	<u>180.505</u>

Notes

	<u>2016</u> DKK	<u>2015</u> DKK
4 Financial costs		
Financial expenses, group entities	72.891	26.791
Other financial costs	<u>339.687</u>	<u>97.980</u>
	<u>412.578</u>	<u>124.771</u>
5 Investments in subsidiaries		
Cost at 1 January	<u>327.388.714</u>	<u>327.388.714</u>
Cost at 31 December	<u>327.388.714</u>	<u>327.388.714</u>
Impairment losses at 1 January	-98.959.212	-97.528.840
Impairment losses in the year	<u>7.381.899</u>	<u>-1.430.372</u>
Impairment losses at 31 December	<u>-91.577.313</u>	<u>-98.959.212</u>
Carrying amount at 31 December	<u>235.811.401</u>	<u>228.429.502</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Geodis Wilson Denmark A/S	Denmark	7.000.000	100%	11.654.273	-7.359.416
Geodis Wilson Hong Kong Ltd.	Hong Kong	36.294.000	100%	195.221.666	96.126.402
Combined Logistics (Hong Kong) Ltd.	Hong Kong	789.000	100%	31.900.385	7.971.197
Geodis Wilson UAE L.L.C.	Dubai	30.496.950	49%	7.958.917	-646.349

All subsidiaries are recognised and measured as separate entities. The figures shown is relating to the fiscal year 2015.

The Parent Company of Geodis Wilson UAE L.L.C. is Wilson Denmark Holding A/S.

Notes

6 Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Extraordinary dividend</u> DKK	<u>Total</u> DKK
Equity at 1 January	40.000.000	248.347.439	0	288.347.439
Extraordinary dividend proposed	0	0	165.568.550	165.568.550
Extraordinary dividend paid	0	0	-165.568.550	-165.568.550
Net profit/loss for the year	0	-154.751.843	0	-154.751.843
Equity at 31 December	<u>40.000.000</u>	<u>93.595.596</u>	<u>0</u>	<u>133.595.596</u>

The share capital consists of 40.000 shares of a nominal value of DKK 1.000. No shares carry any special rights.

7 Contingent assets, liabilities and other financial obligations

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to DKK 0. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The Company has declared that it will provide Geodis Wilson Denmark A/S with the necessary financial support in order for Geodis Wilson Denmark A/S to be in a position to satisfy every financial obligation at least until 31 December 2017.

The Company has no other security or contingent liabilities at 31 December 2016.

Notes

8 Related parties and ownership

Consolidated financial statements

The Company is included in the group annual report of the ultimate Parent Company SNCF, 2, place aux Etoiles 93633 La Plaine ST Denis Cedex CS 70001.

The group annual report of the ultimate Parent Company SNCF, 2, place aux Etoiles 93633 La Plaine ST Denis Cedex CS 70001. may be obtained at the following address:

Geodis Wilson Denmark A/S
Oliefabriksvej 29 - 43
2770 Kastrup
Danmark