

**United Arab Agencies A/S**  
**Central Business Registration No**  
**24210480**  
**Snorresgade 18-20**  
**2300 Copenhagen S**

**Annual report 2015**

The Annual General Meeting adopted the annual report on 24.06.2016

**Chairman of the General Meeting**

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Name: Morten Jæpelt

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## **Entity details**

### **Entity**

United Arab Agencies A/S  
Snorresgade 18-20  
2300 Copenhagen S

Central Business Registration No: 24210480

Registered in: Copenhagen

Financial year: 01.01.2015 - 31.12.2015

### **Board of Directors**

Arne Simonsen, Chairman

Morten Jæpelt

Sune Simonsen

### **Executive Board**

Morten Jæpelt, Chief Executive Officer

### **Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
P.O. Box 1600  
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 United Arab Agencies 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.

Copenhagen, 24.06.2016

### **Executive Board**

Morten Jæpelt  
Chief Executive Officer

### **Board of Directors**

Arne Simonsen  
Chairman

Morten Jæpelt

Sune Simonsen

## **Independent auditor's reports**

### **To the owners of United Arab Agencies A/S**

#### **Report on the financial statements**

We have audited the financial statements of United Arab Agencies 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.

#### **Emphasis of matter affecting the financial statements**

Without modifying our opinion, we point out that there is uncertainty about the Company's receivables from associates. We refer to the disclosures in note 6.

## **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 financial statements.

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

Copenhagen, 24.06.2016

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Anders Kreiner  
State Authorised Public Accountant

CVR-nr. 33963556

## **Management commentary**

### **Primary activities**

As in earlier years, the primary activity of the United Arab Agencies Group has consisted in acting as line agent for United Arab Shipping Company in Scandinavia. The agency agreement has terminated in 2015.

### **Development in activities and finances**

Profit for the year amounts to DKK 1,838 thousand.

The Board of Directors considers the performance for the year acceptable.

### **Uncertainty relating to recognition and measurement**

It has not been possible to obtain absolute confirmation of receivables from associates recognised in the financial statements. Accordingly, the receivable is subject to uncertainty.

### **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 B enterprises with addition of certain provisions for reporting class C enterprises.

### **Changes in accounting policies**

Management has decided to change the accounting policy on investments in group enterprises from recognition according to the equity method to recognition at cost. Management considers the cost method, including income recognition of dividends when received, to give a more fair presentation now that the Group's activities have been discontinued. The comparative figures for 2014 have been restated accordingly. Please refer to the description below.

Apart from the above changes, the accounting policies applied to these financial statements are consistent with those applied last year.

### **Consolidated financial statements**

Referring to section 112 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

### **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.



## **Accounting policies**

### **Foreign currency translation**

Foreign currency transactions are translated applying the exchange rates at the transaction date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date are recognised in the income statement as financial income or financial expenses.

Receivables, payables, and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated applying the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the balance sheet date and the one in effect at the time when the receivable or payable arose are recognised in the income statement as financial income or financial expenses.

If the foreign subsidiaries meet the criteria of independent entities, their income statements and balance sheets are translated applying the exchange rates at the balance sheet date. Exchange differences that arise from translation of foreign subsidiaries' equity at the beginning of the year, applying the exchange rates at the balance sheet date, are recognised directly in equity.

### **Income statement**

#### **Gross profit or loss**

Gross profit or loss comprises revenue, cost of sales and other external expenses.

#### **Revenue**

Revenue is recognised in the income statement when delivery to cooperators has taken place before year-end and if the income can be computed reliably and receipt is expected. Revenue is recognised net of VAT, duties and sales discounts.

#### **Cost of sales**

Costs relating to revenue are accrued according to the method of revenue recognition. Other costs relating to the financial year in terms of time are charged to the income statement.

#### **Other external expenses**

Other external expenses include expenses relating to the Entity'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.

## Accounting policies

### Other financial income

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

### Impairment of financial assets

Impairment of financial assets comprises impairment of financial assets which are not measured at fair value on a current basis.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, 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.

The Company is jointly taxed with its Ultimate Parent, A.S. Scan Holding A/S, and all of the Ultimate Parent's other Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

## Balance sheet

### Investments in group enterprises

Until now, the investments in group enterprises have been recognised and measured in the balance sheet according to the equity method. The Management has decided to change the method of recognition thus the investments in group enterprises are now recognised and measured in the balance sheet at original cost. The implication of this is that the net revaluation made according to the equity method since the acquisition is reversed and set off against the revaluation reserve under the equity method.

The effect on the figures for 2015 is specified below:

## Accounting policies

	Former practice DKK'000	Current practice DKK'000
<u>Income statement</u>		
Income from investments in group enterprises	920	-
Impairment of financial assets	0	63
<u>Assets</u>		
Investments in group enterprises	1.884	144
<u>Liabilities</u>		
Provisions for investments in group enterprises	1.298	-
<u>Equity</u>		
Revaluation reserve under the equity method	1.740	-
Retained earnings	3.313	4.610

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

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value. Provisions for bad debts are made at net realisable value.

### 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.

### Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

### 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'000</u>	<u>2014 DKK'000</u>
<b>Gross profit</b>		<b>3.617</b>	<b>6.312</b>
Staff costs	1	<u>(1.286)</u>	<u>(3.495)</u>
<b>Operating profit/loss</b>		<b>2.331</b>	<b>2.817</b>
Other financial income	2	29	33
Impairment of financial assets		63	0
Other financial expenses	3	<u>(43)</u>	<u>(53)</u>
<b>Profit/loss from ordinary activities before tax</b>		<b>2.380</b>	<b>2.797</b>
Tax on profit/loss from ordinary activities	4	<u>(542)</u>	<u>(637)</u>
<b>Profit/loss for the year</b>		<b><u>1.838</u></b>	<b><u>2.160</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>1.838</u>	<u>2.160</u>
		<b><u>1.838</u></b>	<b><u>2.160</u></b>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Investments in group enterprises		144	81
Receivables from group enterprises		0	2.092
Other receivables		91	91
<b>Fixed asset investments</b>	5	<u>235</u>	<u>2.264</u>
<b>Fixed assets</b>		<u>235</u>	<u>2.264</u>
Trade receivables		2.509	34.429
Receivables from group enterprises		2.274	54
Receivables from associates	6	1.213	0
Deferred tax assets		5	5
Other short-term receivables		93	0
<b>Receivables</b>		<u>6.094</u>	<u>34.488</u>
<b>Cash</b>		<u>5.615</u>	<u>4.789</u>
<b>Current assets</b>		<u>11.709</u>	<u>39.277</u>
<b>Assets</b>		<u>11.944</u>	<u>41.541</u>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital	7	500	500
Retained earnings		<u>4.610</u>	<u>2.772</u>
<b>Equity</b>		<u><b>5.110</b></u>	<u><b>3.272</b></u>
Trade payables		5.760	32.437
Debt to group enterprises		770	5.178
Other payables		<u>304</u>	<u>654</u>
<b>Current liabilities other than provisions</b>		<u><b>6.834</b></u>	<u><b>38.269</b></u>
<b>Liabilities other than provisions</b>		<u><b>6.834</b></u>	<u><b>38.269</b></u>
<b>Equity and liabilities</b>		<u><u><b>11.944</b></u></u>	<u><u><b>41.541</b></u></u>
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		
Related parties with control	10		
Consolidation	11		

**Statement of changes in equity for 2015**

	<b>Contributed capital DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	500	2.772	3.272
Profit/loss for the year	0	1.838	1.838
<b>Equity end of year</b>	<b>500</b>	<b>4.610</b>	<b>5.110</b>

## Notes

	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>1. Staff costs</b>		
Wages and salaries	1.216	3.235
Pension costs	63	221
Other social security costs	7	39
	<b>1.286</b>	<b>3.495</b>
	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>2. Other financial income</b>		
Financial income arising from group enterprises	28	33
Other financial income	1	0
	<b>29</b>	<b>33</b>
	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>3. Other financial expenses</b>		
Financial expenses from group enterprises	24	37
Other financial expenses	19	16
	<b>43</b>	<b>53</b>
	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>4. Tax on ordinary profit/loss for the year</b>		
Current tax	542	360
Change in deferred tax for the year	0	277
	<b>542</b>	<b>637</b>



## Notes

	<b>Investments in group enterprises DKK'000</b>	<b>Receivables from group enterprises DKK'000</b>	<b>Other re- ceivables DKK'000</b>
<b>5. Fixed asset investments</b>			
Cost beginning of year	222	2.196	91
Disposals	0	(2.196)	0
<b>Cost end of year</b>	<b>222</b>	<b>0</b>	<b>91</b>
Impairment losses beginning of year	(141)	(104)	0
Reversal of impairment losses	63	104	0
<b>Impairment losses end of year</b>	<b>(78)</b>	<b>0</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>144</b>	<b>0</b>	<b>91</b>

	<b>Registered in</b>	<b>Corpo- rate form</b>	<b>Equity interest %</b>	<b>Equity DKK'000</b>	<b>Profit/loss DKK'000</b>
Subsidiaries:					
United Arab Agencies AS	Norway	AS	100,00	(1.298)	(44)
United Arab Agencies AB	Sweden	AB	100,00	1.476	436
United Arab Agencies AB	Finland	AB	100,00	408	528

## 6. Short-term receivables from associates

It has not been possible to obtain absolute confirmation of the receivable recognised in the financial statements. Accordingly, the receivable is subject to uncertainty.

	<b>Number</b>	<b>Par value DKK</b>	<b>Nominal value DKK'000</b>
<b>7. Contributed capital</b>			
Share capital	500	1.000,00	500
	<b>500</b>		<b>500</b>
		<b>2015 DKK'000</b>	<b>2014 DKK'000</b>
<b>8. Unrecognised rental and lease commitments</b>			
Commitments under rental agreements or leases until expiry		<b>52</b>	<b>165</b>

## Notes

	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>9. Contingent liabilities</b>		
Other contingent liabilities	3.757	3.367
<b>Contingent liabilities</b>	<b>3.757</b>	<b>3.367</b>

The Company participates in a Danish joint taxation arrangement in which A.S. Scan Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore jointly and severally liable as of the financial year 2013 with the other jointly taxed companies for income taxes etc for the jointly taxed companies, and as of 01.07.2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

## 10. Related parties with control

Related parties with a controlling interest in United Arab Agencies A/S:

- A.S. Scan Holding A/S, Snorresgade 18-20, 2300 Copenhagen S, Ultimate Parent
- Scan Group A/S, Snorresgade 18-20, 2300 Copenhagen S, shareholder

## 11. Consolidation

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

A.S. Scan Holding A/S, Snorresgade 18-20, 2300 Copenhagen S

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

Scan Group A/S, Snorresgade 18-20, 2300 Copenhagen S