

**JAS Forwarding (Denmark)
ApS**
Jernholmen 54-56
2650 Hvidovre
Central Business Registration No
26236363

Annual report 2016

The Annual General Meeting adopted the annual report on 26.05.2017

Chairman of the General Meeting

Name: Stephan Sigg

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Entity details

Entity

JAS Forwarding (Denmark) ApS
Jernholmen 54-56
2650 Hvidovre

Central Business Registration No: 26236363
Registered in: Hvidovre
Financial year: 01.01.2016 - 31.12.2016

Website: www.jas.com
E-mail: dkaar-export-ocean@jas.com

Board of Directors

Stephan Sigg, chairman
Tahira Fumo
Thomas Christensen

Executive Board

Thomas Christensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Dokken 8
Postbox 200
6701 Esbjerg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of JAS Forwarding (Denmark) ApS for the financial year 01.01.2016 - 31.12.2016.

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 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016.

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.

Hvidovre, 01.05.2017

Executive Board

Thomas Christensen

Board of Directors

Stephan Sigg
chairman

Tahira Fumo

Thomas Christensen

Independent auditor's report

To the shareholders of JAS Forwarding (Denmark) ApS

Opinion

We have audited the financial statements of JAS Forwarding (Denmark) ApS for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared 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 31.12.2016 and of the results of its operations for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 scepticism throughout the audit. We also:

Independent auditor's report

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 the management commentary.

Esbjerg, 01.05.2017

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No: 33963556

John Lindvig Christiansen
State Authorised Public Accountant

Management commentary

Primary activities

The Company's activities comprise freight forwarding, primarily within air and ocean freight - and activities related thereto.

Development in activities and finances

2016 became a challenging year for JAS Forwarding, and the Company worked hard to turn its development to positive figures. Focus has been directed towards optimization of the organization and continued targeted business development.

Management has decided to close down all forwarding activities in JAS Forwarding (Denmark) ApS as of March 31, 2017.

Based on this and that no new activities are planned introduced in 2017 it is management's expectation that the result of 2017 will be deficient because of closing down costs.

Events after the balance sheet date

Management has decided to close down all forwarding activities in JAS Forwarding (Denmark) ApS as of March 31, 2017.

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

Income statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Gross profit		1.087.279	1.051.331
Staff costs	2	(2.077.118)	(2.412.646)
Depreciation, amortisation and impairment losses	3	<u>(24.816)</u>	<u>(28.313)</u>
Operating profit/loss		(1.014.655)	(1.389.628)
Other financial income		76	0
Other financial expenses	4	<u>(464.791)</u>	<u>(1.086.189)</u>
Profit/loss for the year		<u>(1.479.370)</u>	<u>(2.475.817)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(1.479.370)</u>	<u>(2.475.817)</u>
		<u>(1.479.370)</u>	<u>(2.475.817)</u>

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Other fixtures and fittings, tools and equipment		12.601	37.417
Property, plant and equipment	5	12.601	37.417
Other receivables		5.529	5.529
Fixed asset investments		5.529	5.529
Fixed assets		18.130	42.946
Trade receivables		2.276.219	1.873.474
Receivables from group enterprises		1.522.026	1.058.304
Other receivables		263.531	223.261
Prepayments		572.070	599.312
Receivables		4.633.846	3.754.351
Cash		1.230.297	2.088.166
Current assets		5.864.143	5.842.517
Assets		5.882.273	5.885.463

Balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Contributed capital		700.000	600.000
Retained earnings		<u>(626.263)</u>	<u>(4.046.893)</u>
Equity		<u>73.737</u>	<u>(3.446.893)</u>
Payables to group enterprises		<u>0</u>	<u>4.440.854</u>
Non-current liabilities other than provisions		<u>0</u>	<u>4.440.854</u>
Trade payables		3.790.694	3.202.897
Payables to group enterprises		1.119.514	1.152.768
Other payables	6	596.016	534.023
Deferred income		<u>302.312</u>	<u>1.814</u>
Current liabilities other than provisions		<u>5.808.536</u>	<u>4.891.502</u>
Liabilities other than provisions		<u>5.808.536</u>	<u>9.332.356</u>
Equity and liabilities		<u>5.882.273</u>	<u>5.885.463</u>
Going concern	1		
Unrecognised rental and lease commitments	7		
Group relations	8		

Statement of changes in equity for 2016

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
	<hr/>	<hr/>	<hr/>	<hr/>
Equity beginning of year	600.000	0	(4.046.893)	(3.446.893)
Increase of capital	100.000	4.900.000	0	5.000.000
Transfer to reserves	0	(4.900.000)	4.900.000	0
Profit/loss for the year	0	0	(1.479.370)	(1.479.370)
Equity end of year	<hr/> 700.000 <hr/>	<hr/> 0 <hr/>	<hr/> (626.263) <hr/>	<hr/> 73.737 <hr/>

Notes

1. Going concern

The Company has realized a loss of DKK 1,479,370 and equity is positive by DKK 73,737 at 31 December 2016.

The Company budgets for a loss in 2017, and the Company depends on continued funding and support by the Parent.

The Parent has expressed its willingness to make the cash resources available that are required to enable the Company to uphold operations for 2017.

	2016	2015
	DKK	DKK
2. Staff costs		
Wages and salaries	2.004.611	2.277.704
Pension costs	36.385	47.062
Other social security costs	36.122	87.880
	2.077.118	2.412.646
Average number of employees	5	4

	2016	2015
	DKK	DKK
3. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	24.816	28.313
	24.816	28.313

	2016	2015
	DKK	DKK
4. Other financial expenses		
Financial expenses from group enterprises	60.186	102.033
Interest expenses	6.968	3.311
Exchange rate adjustments	382.926	958.211
Other financial expenses	14.711	22.634
	464.791	1.086.189

Notes

	Other fixtures and fittings, tools and equipment DKK
	<u>DKK</u>
5. Property, plant and equipment	
Cost beginning of year	497.191
Cost end of year	497.191
Depreciation and impairment losses beginning of the year	(459.774)
Depreciation for the year	<u>(24.816)</u>
Depreciation and impairment losses end of the year	(484.590)
Carrying amount end of year	12.601

	2016 DKK	2015 DKK
	<u>DKK</u>	<u>DKK</u>
6. Other payables		
Wages and salaries, personal income taxes, social security costs, etc payable	65.185	62.706
Holiday pay obligation	397.888	309.597
Other costs payable	<u>132.943</u>	<u>161.720</u>
	596.016	534.023

	2016 DKK	2015 DKK
	<u>DKK</u>	<u>DKK</u>
7. Unrecognised rental and lease commitments		
Hereof liabilities under rental or lease agreements until maturity in total	17.528	59.596

8. Group relations

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

JAS Forwarding (Denmark) ApS is a part of the consolidated financial statements in JAS Worldwide S.A.R.L., Parc d'activities Syrdall 6C, LV-5365 Munsbach.s Syrdall 6C, LV-5365 Munsbach.

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.

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

Recognition and measurement

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

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

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

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

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

Foreign currency translation

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

Income statement

Gross profit or loss

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

Revenue

Revenue is recognised net of VAT and sales discounts. Sales invoiced include payment of both services and expenses. Profit/loss on forwarding is recognised as income when transport of the freight concerned commences.

Accounting policies

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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 writedowns 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.

Depreciation, amortisation and impairment losses

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

Other financial income

Other financial income comprises interest income.

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.

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

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

Other fixtures and fittings, tools and equipment	3-7 years
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Estimated useful lives and residual values are reassessed annually.

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

Accounting policies

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns 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.

Other financial liabilities

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

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.