"K" Line (Scandinavia) Holding A/S
Central Business Registration No. 29192979
Snorresgade 18-20
2300 Copenhagen S

Annual report 2015/16

The Annual General Meeting adopted the annual report on 02.06.2016

Chairman of the General Meeting

Name: John Hemming

Contents

Entity details

Entity

"K" Line (Scandinavia) Holding A/S
Snorresgade 18-20
2300 Copenhagen S

Central Business Registration No: 29192979
Registered in: Copenhagen
Financial year: 01.04.2015 - 31.03.2016

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Board of Directors

Daisuke Arai, Chairman
Sune Simonsen
Arne Simonsen
Keiji Kubo

Executive Board

Ulrik Jespersen, Chief Executive Officer

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 "K" Line (Scandinavia) Holding A/S for the financial year 01.04.2015 - 31.03.2016.

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 31.03.2016 and of the results of their operations and the consolidated cash flows for the financial year 01.04.2015 - 31.03.2016.

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.

Copenhagen, 02.06.2016

Executive Board

Ulrik Jespersen
Chief Executive Officer

Board of Directors

Daisuke Arai Chairman	Sune Simonsen	Arne Simonsen
Keiji Kubo		

Independent auditor's reports

To the owners of "K" Line (Scandinavia) Holding A/S
Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of "K" Line (Scandinavia) Holding A/S for the financial year 01.04.2015 - 31.03.2016, 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 31.03.2016, and of the results of their operations and the Group’s cash flows for the financial year 01.04.2015 - 31.03.2016 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, 02.06.2016

Deloitte
Statsautoriseret Revisionspartnerselskab

Anders Kreiner
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

	2015/16 DKK'000	2014/15 DKK'000	2013/14 DKK'000	2013 (3 months) DKK'000	2012 DKK'000
Financial highlights					
Key figures					
Revenue	248.879	299.173	243.580	56.465	266.205
Gross profit/loss	22.143	26.950	20.217	4.300	20.537
Operating profit/loss	6.734	12.936	6.656	798	6.422
Net financials	37	375	223	58	311
Profit/loss for the year	5.167	10.052	5.092	886	5.130
Total assets	49.347	62.773	51.285	52.154	44.305
Investments in property, plant and equipment	853	148	0	0	172
Equity	10.984	16.542	12.700	13.017	11.976
Cash flows from (used in) operating activities	1.493	11.560	6.459	(451)	3.484
Ratios					
Gross margin (%)	8,9	9,0	8,3	7,6	7,7
Net margin (%)	2,1	3,4	2,1	1,6	1,9
Return on equity (%)	37,5	68,8	39,6	7,1	46,4
Equity ratio (%)	22,3	26,4	24,9	25,0	27,0

Management commentary

Primary activities

The Group’s activities include sea freight, shipping and global logistics.

The “K” Line Scandinavia Group represents the activities of Kawasaki Kisen Kaisha Ltd. (“K” Line) in Denmark, Sweden and Norway.

Development in activities and finances

The activities have developed in line with expectations, and the results achieved, a profit of DKK 5,167 thousand, meet expectations and are – under the current market conditions – considered satisfactory.

Outlook

A profit is also expected in 2016/17.

Particular risks

Price risks

To a certain extent, the Group is dependent on the development in shipping prices on the global market as well as in the exchange rate movements in USD.

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 adjustments of investments in subsidiaries are taken directly to equity. To a wide extent, acquisition and sale of shipping take place in the same foreign currency.

It is not company policy to hedge the above risks by means of financial instruments.

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 the interest rate exposure.

Consolidation

	Shareholding %
“K” Line (Sweden) AB, Sweden	100
“K” Line (Norway) AS, Norway	100

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 prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent 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.

Consolidated financial statements

The consolidated financial statements include “K” Line (Scandinavia) Holding A/S (Parent) and subsidiaries in which “K” Line (Scandinavia) Holding A/S either directly or indirectly holds more than 50% of the voting rights or in any other way have controlling influence. Jointly controlled entities are consolidated on a pro rata basis.

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

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

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

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.

Accounting policies

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

Revenue

Revenue is recognised in the income statement if delivery to the Group's 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.

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.

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.

Accounting policies

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.

Balance sheet

Property, plant and equipment

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

The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price and costs directly attributable to the acquisition until the time when it is ready to be put into operation. For group-manufactured assets, cost comprises costs of materials, components, subsuppliers and direct labour costs as well as indirect cost of sales.

Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

On initial recognition, lease contracts regarding property, plant and equipment in which the Company holds all material risks and advantages related to the ownership (finance leasing) are measured in the balance sheet at fair value or present value, if lower, of future lease payments. At the computation of present value, the internal interest rate of the lease contract or an approximate value is used as discount factor. Assets held under finance leases are then treated as the Company's other property, plant and equipment.

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

Investments in group enterprises

Income statement

The Company's share of the subsidiaries' profits or losses after elimination of unrealised intra-group profits and losses and plus or minus amortisation of positive, or negative, goodwill is recognised in the income statement.

Accounting policies

Balance sheet

Investments in subsidiaries are recognised in the balance sheet at the pro rata share of the enterprises' equity in accordance with the Parent's accounting policies plus or minus unrealised intra-group profits and losses and plus or minus the residual value of positive, or negative, goodwill calculated according to the purchase method.

Subsidiaries with negative equity are measured at zero value, and any receivable from these enterprises is written down by the Parent's share of such negative equity. If the negative equity exceeds the amounts receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Net revaluation of investments in subsidiaries is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost less amortisation of goodwill.

Receivables

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

Income tax payable or receivable

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.

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.

Accounting policies

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,

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

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.

Accounting policies

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 (%)	Gross profit x 100 / Revenue	The Entity's operating gearing.
Net margin (%)	Profit/loss for the year x 100 / Revenue	The Entity's operating profitability.
Return on equity (%)	Profit/loss for the year x 100 / Average equity	The Entity's return on capital invested in the Entity by the owners.
Equity ratio (%)	Equity x 100 / Total assets	The financial strength of the Entity.

Consolidated income statement for 2015/16

	Notes	2015/16 DKK'000	2014/15 DKK'000
Revenue		248.879	299.173
Cost of sales		(220.524)	(265.056)
Other external expenses		(6.212)	(7.167)
Gross profit/loss		**22.143**	**26.950**
Staff costs	1	(15.089)	(13.806)
Depreciation, amortisation and impairment losses	2	(320)	(208)
Operating profit/loss		**6.734**	**12.936**
Other financial income	3	171	442
Other financial expenses	4	(134)	(67)
Profit/loss from ordinary activities before tax		**6.771**	**13.311**
Tax on profit/loss from ordinary activities	5	(1.604)	(3.259)
Profit/loss for the year		**5.167**	**10.052**

Proposed distribution of profit/loss			
Dividend for the financial year		5.000	10.700
Retained earnings		167	(648)
		5.167	**10.052**

Consolidated balance sheet at 31.03.2016

	Notes	2015/16 DKK'000	2014/15 DKK'000
Other fixtures and fittings, tools and equipment		751	284
Property, plant and equipment	6	**751**	**284**
Fixed assets		**751**	**284**
Trade receivables		24.119	29.239
Receivables from associates		791	1.199
Deferred tax assets		42	28
Other short-term receivables		1.768	1.216
Income tax receivable		908	74
Prepayments	7	227	0
Receivables		**27.855**	**31.756**
Cash		**20.741**	**30.733**
Current assets		**48.596**	**62.489**
Assets		**49.347**	**62.773**

Consolidated balance sheet at 31.03.2016

	Notes	2015/16 DKK'000	2014/15 DKK'000
Contributed capital		1.000	1.000
Retained earnings		4.984	4.842
Proposed dividend		5.000	10.700
Equity		**10.984**	**16.542**
Provisions for deferred tax		1.082	1.113
Provisions		**1.082**	**1.113**
Trade payables		9.118	10.207
Payables to group enterprises		13.584	18.632
Other payables		14.579	16.279
Current liabilities other than provisions		**37.281**	**45.118**
Liabilities other than provisions		**37.281**	**45.118**
Equity and liabilities		**49.347**	**62.773**
Unrecognised rental and lease commitments	9		
Consolidation	10		

Consolidated statement of changes in equity for 2015/16

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	1.000	4.842	10.700	16.542
Ordinary dividend paid	0	0	(10.700)	(10.700)
Exchange rate adjustments	0	(25)	0	(25)
Profit/loss for the year	0	167	5.000	5.167
Equity end of year	**1.000**	**4.984**	**5.000**	**10.984**

Consolidated cash flow statement for 2015/16

	Notes	2015/16 DKK'000	2014/15 DKK'000
Operating profit/loss		6.734	12.936
Amortisation, depreciation and impairment losses		320	208
Working capital changes	8	(3.160)	(238)
Cash flow from ordinary operating activities		**3.894**	**12.906**
Financial income received		171	442
Financial income paid		(134)	(67)
Income taxes refunded/(paid)		(2.438)	(1.721)
Cash flows from operating activities		**1.493**	**11.560**
Acquisition etc of property, plant and equipment		(853)	(148)
Sale of property, plant and equipment		68	0
Cash flows from investing activities		**(785)**	**(148)**
Dividend paid		(10.700)	(6.000)
Cash flows from financing activities		**(10.700)**	**(6.000)**
Increase/decrease in cash and cash equivalents		**(9.992)**	**5.412**
Cash and cash equivalents beginning of year		30.733	25.321
Cash and cash equivalents end of year		**20.741**	**30.733**

Notes to consolidated financial statements

1. Staff costs

	2015/16 DKK'000	2014/15 DKK'000
Wages and salaries	12.492	11.182
Pension costs	739	991
Other social security costs	1.858	1.633
	15.089	**13.806**
Average number of employees	**28**	**28**

2. Depreciation, amortisation and impairment losses

	2015/16 DKK'000	2014/15 DKK'000
Depreciation of property, plant and equipment	320	208
	320	**208**

3. Other financial income

	2015/16 DKK'000	2014/15 DKK'000
Other financial income	171	442
	171	**442**

4. Other financial expenses

	2015/16 DKK'000	2014/15 DKK'000
Other financial expenses	134	67
	134	**67**

5. Tax on profit/loss from ordinary activities

	2015/16 DKK'000	2014/15 DKK'000
Tax on current year taxable income	1.654	3.159
Change in deferred tax for the year	(50)	100
	1.604	**3.259**

Notes to consolidated financial statements

6. Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	1.182
Exchange rate adjustments	4
Additions	853
Disposals	(755)
Cost end of year	**1.284**
Depreciation and impairment losses beginning of the year	(898)
Exchange rate adjustments	(2)
Depreciation for the year	(320)
Reversal regarding disposals	687
Depreciation and impairment losses end of the year	**(533)**
Carrying amount end of year	**751**

7. Prepayments

Prepayments comprise various prepaid expenses. Prepayments are measured at cost.

8. Change in working capital

	2015/16 DKK'000	2014/15 DKK'000
Increase/decrease in receivables	4.747	(7.686)
Increase/decrease in trade payables etc	(7.907)	7.448
	(3.160)	**(238)**

9. Unrecognised rental and lease commitments

	2015/16 DKK'000	2014/15 DKK'000
Commitments under rental agreements or leases until expiry	**1.063**	**564**

10. Consolidation

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

Kawasaki Kisen Kaisha Ltd., Tokyo, Japan

Parent income statement for 2015/16

	Notes	2015/16 DKK'000	2014/15 DKK'000
Revenue		81.029	124.940
Cost of sales		(67.616)	(107.572)
Other external expenses		(2.774)	(3.181)
Gross profit/loss		**10.639**	**14.187**
Staff costs	1	(6.068)	(5.696)
Depreciation, amortisation and impairment losses	2	(112)	(77)
Operating profit/loss		**4.459**	**8.414**
Income from investments in group enterprises		1.740	3.662
Other financial income	3	41	94
Profit/loss from ordinary activities before tax		**6.240**	**12.170**
Tax on profit/loss from ordinary activities	4	(1.073)	(2.118)
Profit/loss for the year		**5.167**	**10.052**

Proposed distribution of profit/loss		
Dividend for the financial year	5.000	10.700
Reserve for net revaluation according to the equity method	1.740	3.662
Retained earnings	(1.573)	(4.310)
	5.167	**10.052**

Parent balance sheet at 31.03.2016

	Notes	2015/16 DKK'000	2014/15 DKK'000
Other fixtures and fittings, tools and equipment		185	102
Property, plant and equipment	5	**185**	**102**
Investments in group enterprises		4.837	4.978
Fixed asset investments	6	**4.837**	**4.978**
Fixed assets		**5.022**	**5.080**
Trade receivables		12.194	14.151
Receivables from group enterprises		2.301	3.809
Receivables from associates		0	788
Deferred tax assets		30	15
Income tax receivable		490	0
Prepayments	7	101	5
Receivables		**15.116**	**18.768**
Cash		**7.194**	**15.009**
Current assets		**22.310**	**33.777**
Assets		**27.332**	**38.857**

Parent balance sheet at 31.03.2016

	Notes	2015/16 DKK'000	2014/15 DKK'000
Contributed capital	8	1.000	1.000
Reserve for net revaluation according to the equity method		4.663	4.804
Retained earnings		321	38
Proposed dividend		5.000	10.700
Equity		**10.984**	**16.542**
Trade payables		1.711	1.832
Payables to group enterprises		13.574	18.612
Income tax payable		0	351
Other payables		1.063	1.520
Current liabilities other than provisions		**16.348**	**22.315**
Liabilities other than provisions		**16.348**	**22.315**
Equity and liabilities		**27.332**	**38.857**
Unrecognised rental and lease commitments	9		
Related parties with controlling interest	10		
Ownership	11		

Parent statement of changes in equity for 2015/16

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000
Equity beginning of year	1.000	4.804	38	10.700
Ordinary dividend paid	0	0	0	(10.700)
Exchange rate adjustments	0	(25)	0	0
Distributed dividends from group enterprises	0	(1.856)	1.856	0
Profit/loss for the year	0	1.740	(1.573)	5.000
Equity end of year	**1.000**	**4.663**	**321**	**5.000**

	Total DKK'000
Equity beginning of year	16.542
Ordinary dividend paid	(10.700)
Exchange rate adjustments	(25)
Distributed dividends from group enterprises	0
Profit/loss for the year	5.167
Equity end of year	**10.984**

Notes to parent financial statements

	2015/16 DKK'000	2014/15 DKK'000
1. Staff costs		
Wages and salaries	5.677	5.304
Pension costs	318	308
Other social security costs	73	84
	6.068	**5.696**
Average number of employees	**12**	**13**

	2015/16 DKK'000	2014/15 DKK'000
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	165	77
Profit/loss from sale of intangible assets and property, plant and equipment	(53)	0
	112	**77**

	2015/16 DKK'000	2014/15 DKK'000
3. Other financial income		
Other financial income	41	94
	41	**94**

	2015/16 DKK'000	2014/15 DKK'000
4. Tax on profit/loss from ordinary activities		
Tax on current year taxable income	1.088	2.122
Change in deferred tax for the year	(15)	(4)
	1.073	**2.118**

Notes to parent financial statements

5. Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	317
Additions	226
Disposals	(168)
Cost end of year	**375**
Depreciation and impairment losses beginning of the year	(215)
Depreciation for the year	(165)
Reversal regarding disposals	190
Depreciation and impairment losses end of the year	**(190)**
Carrying amount end of year	**185**

6. Fixed asset investments

	Investments in group enterprises DKK'000
Cost beginning of year	174
Cost end of year	**174**
Revaluations beginning of year	4.804
Exchange rate adjustments	(25)
Share of profit/loss for the year	1.740
Dividend	(1.856)
Revaluations end of year	**4.663**
Carrying amount end of year	**4.837**

7. Prepayments

Prepayments comprise various prepaid expenses. Prepayments are measured at cost.

Notes to parent financial statements

8. Contributed capital

	Number	Par value DKK'000	Nominal value DKK'000
Share capital	1.000	1	1.000
	1.000		**1.000**

9. Unrecognised rental and lease commitments

	2015/16 DKK'000	2014/15 DKK'000
Commitments under rental agreements or leases until expiry	**695**	**564**

10. Related parties with controlling interest

Related parties with a controlling or significant interest in “K” Line (Scandinavia) Holding A/S:

- Scan Group A/S, Snorresgade 18-20, 2300 Copenhagen S, shareholder
- Kawasaki Kisen Kaisha Ltd., Iino Building, 1-1, Uchisaiwaicho 2-Chome Chiyoda-ku, Tokyo 100-8540, Japan, shareholder

11. Ownership

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

- Scan Group A/S, Snorresgade 18-20, 2300 Copenhagen S
- Kawasaki Kisen Kaisha Ltd., Iino Building, 1-1, Uchisaiwaicho 2-Chome Chiyoda-ku, Tokyo 100-8540, Japan