

Lubbers Denmark ApS

Måde Engvej 1-3, 6700 Esbjerg

CVR no. 31 48 24 61



Annual report 2016

Approved at the annual general meeting of shareholders on 31 May 2017

Chairman:

.....
Johannes Gerardus Engelsman



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Statement by the Board of Directors and the Executive Board

Today, the Executive Board has discussed and approved the annual report of Lubbers Denmark ApS 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 financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Esbjerg, 31 May 2017
Executive Board:



Johannes Gerardus
Engelsman



Dirk Hendrik Mulder

Independent auditor's reports

To the shareholders of Lubbers Denmark ApS

Report on extended review of the financial statements

We have performed an extended review of the financial statements of Lubbers Denmark ApS for the financial year 1 January - 31 December 2016. The financial statements, comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, have been 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. Further, Management is responsible for such internal control as it 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 a conclusion on the financial statements. We have conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act.

This requires us to comply with the ethical requirements of the Danish Auditors Act and FSR - Danish Auditors and plan and perform procedures to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required additional procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and specifically required additional procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are substantially less than those performed in an audit, and we accordingly do not express an audit opinion on the financial statements.

Opinion

Based on the work performed, 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 its operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Independent auditor's reports

Statement on the Management's review

Management is responsible for the Management's review.


Our conclusion 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 extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the 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 Statement Act. We did not identify any material misstatement of Management's review.

Esbjerg, 31 May 2017
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Lars Stagaard Jensen
state authorised public accountant



Management's review

Company details

Name	Lubbers Denmark ApS
Address, Postal code, City	Måde Engvej 1-3, 6700 Esbjerg
CVR no.	31 48 24 61
Established	6 June 2008
Registered office	Esbjerg
Financial year	1 January - 31 December
Executive Board	Johannes Gerardus Engelsman Dirk Hendrik Mulder
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Havnegade 33, 6700 Esbjerg, Denmark
Bankers	Danske Bank Strandbygade 2, 6700 Esbjerg

Management's review

Management commentary

Business review

The company's main activity is transport and forwarding business.

Financial review

The income statement for 2016 shows a loss of DKK 623,469 against a profit of DKK 1,260,512 last year, and the balance sheet at 31 December 2016 shows equity of DKK 2,081,474.

Events after the balance sheet date

No events have occurred after the financial year-end, which could significantly affect the company's financial position.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	<u>2016</u>	<u>2015</u>
	Gross margin	4,460,261	6,909,001
2	Staff costs	-4,866,363	-4,840,701
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	<u>-265,748</u>	<u>-265,748</u>
	Profit/loss before net financials	-671,850	1,802,552
	Financial income	60,828	152,937
3	Financial expenses	<u>-192,347</u>	<u>-325,407</u>
	Profit/loss before tax	-803,369	1,630,082
4	Tax for the year	179,900	-369,570
	Profit/loss for the year	<u><u>-623,469</u></u>	<u><u>1,260,512</u></u>
	 Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>-623,469</u>	<u>1,260,512</u>
		<u><u>-623,469</u></u>	<u><u>1,260,512</u></u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	<u>2016</u>	<u>2015</u>
	ASSETS		
	Fixed assets		
5	Intangible assets		
	Goodwill	0	0
		<u>0</u>	<u>0</u>
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	970,621	1,236,369
		<u>970,621</u>	<u>1,236,369</u>
	Total fixed assets	<u>970,621</u>	<u>1,236,369</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	2,549,522	4,335,460
	Receivables from group entities	86,600	125,535
	Deferred tax assets	30,100	0
	Income taxes receivable	14,000	0
	Other receivables	28,549	25,373
	Prepayments and deferred income	306,280	967,381
		<u>3,015,051</u>	<u>5,453,749</u>
	Cash	492,585	805,198
	Total non-fixed assets	<u>3,507,636</u>	<u>6,258,947</u>
	TOTAL ASSETS	<u><u>4,478,257</u></u>	<u><u>7,495,316</u></u>

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	2016	2015
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	125,000	125,000
	Retained earnings	1,956,474	2,579,943
	Total equity	<u>2,081,474</u>	<u>2,704,943</u>
	Provisions		
	Deferred tax	0	149,800
	Total provisions	<u>0</u>	<u>149,800</u>
	Liabilities		
	Non-current liabilities other than provisions		
	Payables to group entities	0	1,492,520
		<u>0</u>	<u>1,492,520</u>
	Current liabilities		
	Trade payables	553,306	1,568,886
	Payables to group entities	1,029,629	304,078
	Income taxes payable	0	220,900
	Other payables	813,848	1,054,189
		<u>2,396,783</u>	<u>3,148,053</u>
	Total liabilities other than provisions	<u>2,396,783</u>	<u>4,640,573</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>4,478,257</u></u>	<u><u>7,495,316</u></u>

- 1 Accounting policies
- 8 Contractual obligations and contingencies, etc.
- 9 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2016	125,000	2,579,943	2,704,943
Transfer, see "Appropriation of loss"	0	-623,469	-623,469
Equity at 31 December 2016	<u>125,000</u>	<u>1,956,474</u>	<u>2,081,474</u>

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Lubbers Denmark ApS for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Changes to presentation and disclosures only

Effective 1 January 2016, the Company has implemented act no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

Basis of recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of such assets can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and the value of such liabilities can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned. Moreover, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts that were previously recognised in the income statement.

Income statement

Revenue

Revenue is recognised in the income statement provided that delivery and transfer of risk have taken place by the end of the year and that the income can be reliably measured and is expected to be received. Revenue is recognised ex. VAT and taxes charged on behalf of third parties.

Gross margin

The items revenue, other operating income, cost of sales and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of non-current assets.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cost of sales

Cost of sales includes the cost used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Goodwill	5 years
Other fixtures and fittings, tools and equipment	3-7 years

Financial income and expenses

Financial income and expenses comprise interest income and expense, capital gains and capital loss on securities, payables and transactions denominated in foreign currencies and amortisation of financial assets and liabilities.

Tax

Tax for the year which comprises tax for the year and any changes in deferred tax is recognised in the income statement. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets and expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost. Write-down to net realisable value is made for expected losses.

Prepayments

Prepayments comprise costs incurred in relation to subsequent financial years.

Cash

Cash comprises cash balances and bank balances.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax liabilities are recognised in the balance sheet as the calculated tax charge in respect of the calculated taxable income for the year, adjusted for tax on prior year's taxable income and tax paid in advance.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax value, deferred tax is measured based on Management's planned use of the asset or the settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised under assets at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured in accordance with the tax rules applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities

Liabilities are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

DKK	2016	2015
2 Staff costs		
Wages/salaries	3,493,181	3,592,145
Pensions	480,468	458,630
Other social security costs	571,792	403,489
Other staff costs	320,922	386,437
	<u>4,866,363</u>	<u>4,840,701</u>
 Average number of full-time employees	 <u>14</u>	 <u>14</u>
3 Financial expenses		
Interest expenses, group entities	42,128	116,880
Other financial expenses	150,219	208,527
	<u>192,347</u>	<u>325,407</u>
4 Tax for the year		
Estimated tax charge for the year	0	227,900
Deferred tax adjustments in the year	-179,900	141,670
	<u>-179,900</u>	<u>369,570</u>
5 Intangible assets		
DKK		<u>Goodwill</u>
Cost at 1 January 2016		1,800,000
Cost at 31 December 2016		1,800,000
Impairment losses and amortisation at 1 January 2016		1,800,000
Impairment losses and amortisation at 31 December 2016		1,800,000
Carrying amount at 31 December 2016		<u>0</u>
6 Property, plant and equipment		
DKK		<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2016		2,075,869
Cost at 31 December 2016		2,075,869
Impairment losses and depreciation at 1 January 2016		839,500
Amortisation/depreciation in the year		265,748
Impairment losses and depreciation at 31 December 2016		1,105,248
Carrying amount at 31 December 2016		<u>970,621</u>

Financial statements for the period 1 January - 31 December

Notes to the financial statements

7 Share capital

The Company's share capital has remained DKK 125,000 over the past 5 years.

8 Contractual obligations and contingencies, etc.

Other contingent liabilities

DKK	2016	2015
Guarantee commitments	0	80,000
	0	80,000

Other financial obligations

Rent and lease liabilities include a rent obligation totalling DKK 1.351.000 in interminable rent agreements. Furthermore, the company has liabilities under operating leases for trucks, totalling DKK 188.000 with remaining contract terms of 5 months.

9 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Lubbers Transport Group B.V.	P.O. Box 47 7760 AA Schoonebeek, Netherlands	At the groups domicile.

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Name	Domicile
Lubbers Transport Group B.V.	P.O. Box 47, 7760 AA Schoonebeek, Netherlands