
Baltic Operational JV ApS

Tangen 6, DK-8200 Aarhus N

Annual Report for 2018

CVR No 35 39 08 47

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
20/5 2019

Mie Letager Kjeldsen
Chairman of the General
Meeting



pwc

Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	4
Financial Statements	
Income Statement 1 January - 31 December	5
Balance Sheet 31 December	6
Notes to the Financial Statements	7

Management's Statement

The Executive Board has today considered and adopted the Annual Report of Baltic Operational JV ApS for the financial year 1 January - 31 December 2018.

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 at 31 December 2018 of the Company and of the results of the Company operations for 2018.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus, 14 May 2019

Executive Board

Jesper Kristensen

Paul Andrew Murphy

Independent Auditor's Report

To the Shareholders of Baltic Operational JV ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Baltic Operational JV ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the 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.

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 scepticism throughout the

Independent Auditor's Report

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.
- 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.

Aarhus, 14 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Michael Nielsson
State Authorised Public Accountant
mne15151

Lars Greve Jensen
State Authorised Public Accountant
mne32199

Company Information

The Company

Baltic Operational JV ApS
Tangen 6
DK-8200 Aarhus N

CVR No: 35 39 08 47
Financial period: 1 January - 31 December
Municipality of reg. office: Aarhus

Executive Board

Jesper Kristensen
Paul Andrew Murphy

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Nobelparken
Jens Chr. Skous Vej 1
DK-8000 Aarhus C

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Gross profit/loss		0	0
Financial expenses	3	-136	-138
Profit/loss before tax		-136	-138
Tax on profit/loss for the year		0	404
Net profit/loss for the year		-136	266

Distribution of profit

Proposed distribution of profit

Retained earnings		-136	266
		-136	266

Balance Sheet 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Assets			
Receivables from group enterprises		404	403
Receivables		<u>404</u>	<u>403</u>
Cash at bank and in hand		<u>67.732</u>	<u>68.869</u>
Currents assets		<u>68.136</u>	<u>69.272</u>
Assets		<u>68.136</u>	<u>69.272</u>
Liabilities and equity			
Share capital		80.000	80.000
Retained earnings		-13.864	-13.728
Equity	4	<u>66.136</u>	<u>66.272</u>
Payables to group enterprises		2.000	3.000
Short-term debt		<u>2.000</u>	<u>3.000</u>
Debt		<u>2.000</u>	<u>3.000</u>
Liabilities and equity		<u>68.136</u>	<u>69.272</u>
Key activities	1		
Contingent assets, liabilities and other financial obligations	5		
Accounting Policies	6		

Notes to the Financial Statements

1 Key activities

The company's purpose is to hold shares and conduct business on behalf of the shareholders.

	<u>2018</u> DKK	<u>2017</u> DKK
2 Staff		
Average number of employees	0	0
3 Financial expenses		
Other financial expenses	136	138
	136	138

4 Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	80.000	-13.728	66.272
Net profit/loss for the year	0	-136	-136
Equity at 31 December	80.000	-13.864	66.136

5 Contingent assets, liabilities and other financial obligations

There are no security and contingent liabilities at 31 December 2018.

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Baltic Operational JV ApS for 2018 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 remain unchanged from last year.

The Financial Statements for 2018 are presented in DKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Income Statement

Revenue

Revenue comprises revenue from transport activities for the period as well as the revenue invoiced by the Company's agents where revenue is on the Company's account.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost of sales comprises variable costs by way of costs related to vessels and containers as well as other transport costs.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and cost of sales.

Notes to the Financial Statements

6 Accounting Policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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 its Parent company and its associated companies hereof. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Deferred tax assets and liabilities

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates of the respective countries 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.

Financial debts

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