

Geodis Denmark A/S

**Oliefabriksvej 29 - 43
2770 Kastrup
CVR no. 35 45 17 14**

Annual Report for 2018

Adopted at the Annual General
Meeting on 28 May 2019

Chairperson of General Meeting

Gitte Hjortflod

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Statement by Management on the Annual Report

The Executive Board and Board of Directors have today discussed and approved the Annual Report of Geodis Denmark A/S 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 Company's financial position at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

Management recommends that the Annual Report should be approved at the Annual General Meeting.

Kastrup, 28 May 2019

Executive Board

Gitte Hjortflod

Board of Directors

Thomas Kraus
Chairman

Gitte Hjortflod

Yann Noyon

Lars Bjørnskov
Staff Representative

Jacob Østergaard Horn
Staff Representative

Independent Auditor's Report

To the Shareholder of Geodis Denmark A/S

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 Geodis Denmark A/S for the financial year 1 January - 31 December 2018, which comprise a summary of accounting policies, income statement, balance sheet, statement of changes in equity and notes ("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.

Statement on management's review

Management is responsible for management's review.

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

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

Independent Auditor's Report

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 judgment and maintain professional skepticism throughout the 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.

Independent Auditor's Report

- 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.

Hellerup, 28 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no. 33 77 12 31

Bo Schou-Jacobsen
State Authorised Public Accountant
mne28703

Martin Enderberg Lassen
State Authorised Public Accountant
mne40044

Company Details

The Company

Geodis Denmark A/S
Oliefabriksvej 29 - 43
2770 Kastrup

CVR no.: 35 45 17 14
Reporting period: 1 January - 31 December 2018
Domicile: Tårnby

Board of Directors

Thomas Kraus, Chairman
Gitte Hjortflod
Yann Noyon
Lars Bjørnskov, Staff Representative
Jacob Østergaard Horn, Staff Representative

Executive Board

Gitte Hjortflod

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2018	2017	2016	2015	2014
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	862.153	822.785	642.831	763.346	788.457
Gross profit	82.494	79.873	76.816	70.146	60.213
Profit/loss before net financials	6.094	4.472	3.137	-10.464	-28.482
Net financials	-2.848	-5.153	462	3.105	-1.220
Profit/loss for the year	3.246	-682	4.971	-7.359	-31.775
Balance sheet					
Balance sheet total	187.517	212.452	135.569	143.854	162.843
Investment in property, plant and equipment	2.137	870	789	238	142
Equity	19.189	15.943	16.625	11.654	19.014
Number of employees	166	165	162	178	202
Financial ratios					
Gross margin	9,6%	9,7%	11,9%	9,2%	7,6%
Profit margin	0,7%	0,5%	0,5%	-1,4%	-3,6%
Return on assets	3,0%	3,2%	2,3%	-7,3%	-17,5%
Solvency ratio	10,2%	7,5%	12,3%	8,1%	11,7%
Return on equity	18,5%	-4,2%	35,2%	-48,0%	-648,3%

The key figures for the years 2014-2016 are not adjusted in accordance with the change in accounting policies regarding presentation of deferred revenue and prepaid expenses as described under the accounting policies section. The change has a limited effect on balance sheet total, return on assets and solvency ratio which is not reflected in the key figures for 2014-2016.

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of accounting policies.

Management's Review

The company's business review

GEODIS Denmark is fully owned by GEODIS Group, which is based in Paris and in turn owned by SNCF, an industrial and commercial enterprise owned by the French Republic.

GEODIS Group is a leading logistics provider in Europe and worldwide, offering comprehensive solutions for the entire logistics chain. It delivers expertise in five complementary areas of expertise: Supply Chain Optimization, Freight Forwarding, Contract Logistics, Distribution & Express, and Road Transport.

GEODIS Denmark's activities are within Freight Forwarding and based primarily on air and ocean freight, express services, transport management and warehousing. It is GEODIS' vision to be a growth partner for its clients, and with an emphasis on excellence, we are committed to helping our clients overcome their logistical constraints.

Financial review

The income statement of the company for 2018 shows a profit of DKK 3.246.004, and at 31 December 2018 the balance sheet of the company shows equity of DKK 19.189.170.

The profit for the year is considered satisfactory and is in line with expectations of being profitable again, after the year 2017 with negative results.

During 2018, the company has continued its growth, but has been affected negatively by the impact of foreign exchange rates.

Special risks

Operating risks

The company's operating risks are integral with the ability to constantly delivering a service which meets the clients' expectations. This service is based on deliveries from external suppliers and is therefore at risk if the company does not maintain or enhance its market position.

The company is affected by the financial trends and developments in the world.

Foreign exchange risks

The company primarily invoices in DKK, secondly in EUR and USD. The company is exposed to currency risk mainly related to USD. This risk is mitigated by balancing incoming payments in USD to the same level and if not, hedging the difference.

Management's Review

Credit risks

The company has no material risk related to individual customers or business partners, but the company constantly manages any risk by evaluating the current financial risk of each customer and adapting proper actions in regards to payment terms and other securities to balance such risk.

Impact on the external environment

The company is very aware of the effects to the external environment caused by its operations. Therefore, the company requires its various suppliers to be able to document their efforts in reducing the negative impact on the environment.

The company holds an ISO 14001 certification.

Statutory CSR report

Reference is made to the latest CSR report for the SNCF GEODIS Group, which can be found on <https://geodis.com/en/corporate-social-responsibility/csr-reports-and-methodology>

The SNCF GEODIS Group signed the UN Global Compact in 2003.

The SNCF GEODIS Group works with community responsibility through Corporate Social Responsibility (CSR) encompassing five sustainable development commitments; customers, employees, environment, suppliers and community. To set the strategic CSR direction, we have developed a global policy for CSR. Our goal is to work according to international standards. This is done primarily through ISO 14001 and ISO 9001.

Through the five sustainable development commitments; customers, employees, environment, suppliers and community, overall goals has been set and progress is reported quarterly and yearly covering our global network. This report has contributed to the overall goal being met.

The CSR report states our achievement of working with CSR and it states our expectations for the future. CSR is an important strategic area for the entire SNCF GEODIS Group and many resources are allocated to working with CSR.

Management's Review

Account of the gender composition of management

The company generally wants to ensure that it is always the most qualified person who is appointed to a given position. All employees and managers efforts are measured based on individual goals. We want to foster diversity and create opportunities for all individuals, regardless of gender, age, ethnicity, religious or political conviction. The company's existence is depending on skilled employees, and it strives to have the most qualified staff in all positions.

According to Danish regulation, a board of directors consisting of three individuals where one person is of the underrepresented gender is considered in compliance. With a spread of one woman and two men on the board of directors, the company complies with rules regarding the account of the gender composition of the management.

In the recruitment of managers for the group, the company will ensure that at least one female candidate is considered. No later than by 2018, at least 40% of the management team positions must be occupied by females. The company's current management team, defined as directors and management, consists of four women and four men and is therefore compliant with the target.

Outlook

Based on the judgement of the Executive Board and the Board of Directors, 2019 will be balanced due to the market situation with flat or decreasing volumes, with focus on our long-term growth strategy, supported by further steps in digitisation and optimized processes to continue to increase the company's market share.

Uncertainty relating to recognition and measurement

Recognition and measurement in the annual report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2018 of the company and the results of the activities of the company for the financial year for 2018 have not been affected by any unusual events.

Accounting Policies

The Annual Report of Geodis Denmark A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

Due to a change in internal procedures for registration of shipments, the company has changed the presentation of deferred revenue and prepaid freight costs in the financial statements. The change has no impact on the profit and loss statement or the equity. The comparison figures have been changed accordingly.

Except for the above-mentioned changes, the accounting policies remain unchanged compared to previous years.

The Annual Report for 2018 is presented in DKK.

Basis of recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation and impairment losses.

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.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Income statement

Hedge accounting

Fair value adjustments of financial instruments that are designated and qualify as fair value hedges of recognised assets or liabilities are recognised in the income statement together with any fair value adjustments of the hedged asset or liability that can be attributed to the hedged risk.

Accounting Policies

Changes in the fair value of financial instruments that are designated and qualify as hedges of expected future transactions are recognised in equity under retained earnings as regards the effective portion of the hedge. The ineffective portion of the hedge is recognised in the income statement. If the hedged transaction results in an asset or a liability, amounts deferred under equity are transferred to the cost of the asset or liability. If the hedged transaction results in income or expenses, amounts deferred under equity are transferred to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair value of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, while the ineffective portion is recognised in the income statement.

Revenue

Revenue from logistics services is recognised in the income statement when the sale is considered effected based on the following criteria:

- the service are rendered;
- a binding sales agreement has been made;
- the amount of revenue and income can be reliably measured; and
- payment has been received or may with reasonable certainty be expected to be received.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Freight costs etc.

Freight and other transportation expenses include costs for carriers, and other costs used in generating the year's revenue.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprise, including gains and losses on the sale of property, plant and equipment.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Accounting Policies

Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

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 Geodis FF Holding Denmark A/S. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable income.

Balance sheet

Tangible assets

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

	Useful life
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5-10 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 13.500 are expensed in the year of acquisition.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Accounting Policies

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning subsequent financial reporting years.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Income tax and deferred tax

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Accounting Policies

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

Liabilities

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

Deferred revenue

Deferred revenue recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Foreign currency translation

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of SNCF, 2, place aux Etoiles 93633 La Plaine ST Denis Cedex CS 70001, the Company has not prepared a cash flow statement.

Accounting Policies

Financial highlights

Definitions of financial ratios.

$$\text{Gross margin ratio} = \frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

$$\text{Profit margin} = \frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$$

$$\text{Return on assets} = \frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$$

$$\text{Solvency ratio} = \frac{\text{Equity at year-end} \times 100}{\text{Total assets at year-end}}$$

$$\text{Return on equity} = \frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$$

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Revenue		862.153.393	822.784.982
Freight costs etc.		-739.769.405	-706.615.763
Other external expenses		-39.890.377	-36.295.990
Gross profit		82.493.611	79.873.229
Staff costs	1	-75.578.412	-74.830.411
Profit/loss before amortisation/depreciation and impairment losses		6.915.199	5.042.818
Depreciation, amortisation and impairment of property, plant and equipment	2	-821.218	-571.232
Profit/loss before net financials		6.093.981	4.471.586
Financial income		89.139	2.826
Financial costs	3	-2.937.116	-5.156.091
Profit/loss before tax		3.246.004	-681.679
Tax on profit/loss for the year	4	0	0
Profit/loss for the year		3.246.004	-681.679
Distribution of profit	5		

Balance Sheet 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Assets			
Other fixtures and fittings, tools and equipment		1.166.256	1.175.318
Leasehold improvements		<u>267.980</u>	<u>176.159</u>
Tangible assets	6	<u>1.434.236</u>	<u>1.351.477</u>
Deposits	7	<u>1.121.727</u>	<u>1.692.337</u>
Fixed asset investments		<u>1.121.727</u>	<u>1.692.337</u>
Total non-current assets		<u>2.555.963</u>	<u>3.043.814</u>
Trade receivables		157.778.737	155.045.056
Receivables from group enterprises		14.272.764	15.897.719
Other receivables		88.150	91.541
Prepayments	8	<u>5.414.220</u>	<u>30.062.481</u>
Receivables		<u>177.553.871</u>	<u>201.096.797</u>
Cash at bank and in hand		<u>7.407.001</u>	<u>8.311.110</u>
Total current assets		<u>184.960.872</u>	<u>209.407.907</u>
Total assets		<u>187.516.835</u>	<u>212.451.721</u>

Balance Sheet 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Equity and liabilities			
Share capital		7.000.000	7.000.000
Retained earnings		6.389.170	8.943.166
Proposed dividend for the year		5.800.000	0
Equity	9	<u>19.189.170</u>	<u>15.943.166</u>
Trade payables		73.719.860	72.373.260
Payables to group enterprises		71.573.612	67.030.381
Other payables		17.253.584	15.634.168
Deferred revenue		5.780.609	41.470.746
Total current liabilities		<u>168.327.665</u>	<u>196.508.555</u>
Total liabilities		<u>168.327.665</u>	<u>196.508.555</u>
Total equity and liabilities		<u>187.516.835</u>	<u>212.451.721</u>
Subsequent events	10		
Rental and lease commitments	11		
Contingencies, etc.	12		
Related parties and group relation	13		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January 2018	7.000.000	8.943.166	0	15.943.166
Net profit/loss for the year	0	-2.553.996	5.800.000	3.246.004
Equity at 31 December 2018	7.000.000	6.389.170	5.800.000	19.189.170

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity 1. januar 2017	7.000.000	9.624.845	16.624.845
Net profit/loss for the year	0	-681.679	-681.679
Equity 31. december 2017	7.000.000	8.943.166	15.943.166

Notes to the Annual Report

	<u>2018</u> DKK	<u>2017</u> DKK
1 Staff costs		
Wages and salaries	67.037.421	68.169.783
Pensions	6.223.700	4.923.903
Other social security costs	1.140.760	998.935
Other staff costs	<u>1.176.531</u>	<u>737.790</u>
	<u>75.578.412</u>	<u>74.830.411</u>
Average number of employees	<u>166</u>	<u>165</u>
According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the Executive Board has not been disclosed.		
2 Depreciation, amortisation and impairment of property, plant and equipment		
Depreciation tangible assets	<u>821.218</u>	<u>571.232</u>
	<u>821.218</u>	<u>571.232</u>
3 Financial costs		
Financial expenses, group entities	163.298	183.819
Other financial costs	301.623	241.171
Exchange loss	<u>2.472.195</u>	<u>4.731.101</u>
	<u>2.937.116</u>	<u>5.156.091</u>

Notes to the Annual Report

	<u>2018</u> DKK	<u>2017</u> DKK
4 Tax on profit/loss for the year	0	0

The Company has at 31 December 2018 an unrecognized tax asset of TDKK 13,022 (2017: TDKK 13,747).

5 Distribution of profit		
Proposed dividend for the year	5.800.000	0
Retained earnings	<u>-2.553.996</u>	<u>-681.679</u>
	<u>3.246.004</u>	<u>-681.679</u>

	<u>Other fixtures and fittings, tools and equipment</u> DKK	<u>Leasehold improve- ments</u> DKK
Cost at 1 January 2018	13.607.852	714.441
Additions for the year	<u>700.837</u>	<u>203.335</u>
Cost at 31 December 2018	<u>14.308.689</u>	<u>917.776</u>
Impairment losses and depreciation at 1 January 2018	12.432.534	538.282
Depreciation for the year	<u>709.899</u>	<u>111.514</u>
Impairment losses and depreciation at 31 December 2018	<u>13.142.433</u>	<u>649.796</u>
Carrying amount at 31 December 2018	<u>1.166.256</u>	<u>267.980</u>

Notes to the Annual Report

7 Fixed asset investments

	<u>Deposits</u> DKK
Cost at 1 January 2018	1.692.337
Disposals for the year	<u>-570.610</u>
Cost at 31 December 2018	<u>1.121.727</u>
Carrying amount at 31 December 2018	<u>1.121.727</u>

8 Prepayments

Prepayments consist of prepaid expenses relating to subsequent financial years.

9 Equity

The share capital consists of:

1 A-share of DKK 1.100.000	1.100.000
1 B-share of DKK 3.900.000	3.900.000
1 C-share of DKK 2.000.000	<u>2.000.000</u>
	<u>7.000.000</u>

10 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Annual Report

	<u>2018</u> DKK	<u>2017</u> DKK
11 Rental and lease commitments		
The company has entered into rental and operating lease agreements with a remaining period of up to 5 years. The rental and lease payments in the remaining period amount to:	8.199.000	11.048.000

12 Contingencies, etc.

The Company has provided a bank guarantee covering 6 months rent, amounting to TDKK 2,120.

The Danish group enterprises are jointly and severally liable for tax on the jointly taxed income of the Group and for Danish taxes at source such as dividend tax, tax on royalty payments and withholding tax. The total payable corporation tax is disclosed in the Annual Report of Geodis FF Holding Denmark A/S, which is the management company of the joint taxation.

The Company has no other security or contingent liabilities as of 31 December 2018.

13 Related parties and group relation

Controlling interest

SNCF, Paris, France, ultimate Parent Company
Geodis FF Holding Sweden AB, Stockholm, Sweden, Parent Company
Geodis FF Holding Denmark A/S, Kastrup, Denmark, Parent Company

Transactions

Transactions has been made on market terms.

Notes to the Annual Report

13 Related parties and group relation (continued)

Consolidated financial statements

The consolidated annual accounts for the ultimate Parent Company SNCF, 2, place aux Etoiles 93633 La Plaine ST Denis Cedex CS 70001, in which the annual accounts are incorporated, can be obtained at the following address:

Geodis Denmark A/S
Oliefabriksvej 29 - 43
2770 Kastrup
Danmark